



State Mining and Geology Board

Annual Report

2012-2013



Department of Conservation
Natural Resources Agency

December 2013



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Governor
State of California*

*John Laird
Secretary
Natural Resources Agency*

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Director
Department of Conservation*

Cover Photo: Cemex Lapis Mine located in the City of Marina.

**ANNUAL REPORT
of the
STATE MINING AND GEOLOGY BOARD**

2012-2013

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ANNUAL REPORT of the STATE MINING AND GEOLOGY BOARD 2012-2013

EXECUTIVE SUMMARY

The 2012-2013 *Annual Report of the State Mining and Geology Board* is prepared for both the State Legislature and the Governor, as is provided for in statute [ref. Public Resources Code (PRC) Sections 674 and 2717]. Reporting periods follow the State's fiscal year calendar from July 1st of one year to June 30th of the following year. This Report summarizes activities and actions set forth by the State Mining and Geology Board (SMGB) during the 2012-2013 reporting period, and also conclusions and recommendations where the SMGB believes improvements can be made for the future well-being of the State's people and wise use of its natural resources, and understanding of the State's geologic hazards.

The SMGB, in concert with the Department of Conservation (DOC), the California Geological Survey (CGS) and the Office of Mine Reclamation (OMR), and its stakeholders, has been fully engaged in implementing the legislative mandates of the Alquist-Priolo Earthquake Fault Zoning Act (A-P EFZ Act), the Seismic Hazards Mapping Act (SHMA), and the Surface Mining and Reclamation Act of 1975 (SMARA).

The A-P EFZ Act was signed into law following the destructive 1971 San Fernando earthquake. The intent of the A-P EFZ Act is to insure public safety by prohibiting the siting of most structures for human occupancy across the traces of active surface faults. During the 2012-2013 reporting period, no new A-P EFZ maps were received from CGS for hearings to be scheduled by the SMGB to receive comment. In 2007, the SMGB established a Technical Advisory Committee (TAC) to review the A-P EFZ Act and the SMGB's regulations in light of the current state of engineering and geological science. The work of the TAC is near completion.

The SHMA was enacted to protect the public from the effects of strong ground shaking, liquefaction, landslides, or other ground failures and hazards caused from earthquakes. SHMA programs and mandates closely resemble those of the A-P EFZ Act. During the 2012-2013 reporting period, no new SHMA maps were received from CGS for hearings to be scheduled by the SMGB to receive comment.

SMARA has been amended 29 times since its enactment in 1975. SMARA-related activities again occupied the majority of the SMGB's time and resources during the 2012-2013 reporting period. Local lead agencies (cities and counties with surface mines within their jurisdictions) have primary responsibility for implementing SMARA. Each of these lead agencies must have a surface mining ordinance certified by the SMGB as being in accordance with SMARA. There currently are 113 SMARA lead agencies in California. At the end of this reporting period, the SMGB served as a lead agency under SMARA for three counties, seven cities, and eight marine dredging operations within the jurisdiction of the San Francisco Bay Conservation and Development Commission (BCDC). Based on review of the OMR Lead Agency Review Team (LART) reports, the SMGB issued 45-Day Notices to Correct Deficiencies to three cities and six counties. During the reporting period the SMGB also conducted SMARA inspections at two

surface mine sites within other lead agency jurisdictions where a potential financial conflict of interest exists between the mine owner/operator and the local lead agency.

The SMGB is responsible for reviewing and accepting mineral resource lands classification reports prepared by CGS, and for designation of such lands of regional significance. No new classification reports, updated classification reports, or classification petitions were reviewed, and subsequently accepted by the SMGB, during this reporting period. The SMGB also reviews and re-certifies updated mining ordinances and recognizes Mineral Resources Management Plans (MRMP). One amended surface mining ordinance was recertified; whereas, no new or amended MRMPs were recognized by the SMGB during this reporting period. The SMGB also heard one financial assurance appeal and one designation appeal.

No Orders to Comply as issued by the Director were appealed to the SMGB. No administrative penalty appeals as issued by the Director were appealed to the SMGB. One request for consideration of an exemption from SMARA was considered by the SMGB.

The SMGB continued its evaluation of various aspects of SMARA including areas where SMARA could be streamlined and where the SMGB or the DOC could assist SMARA lead agencies in their implementation of the mineral conservation and reclamation components of SMARA, idle mines status, annual mine fees, process for the placement on and removal of surface mine operations from the AB 3098 List, lead agency performance, among other elements of the SMARA, in its consideration of the need for regulatory and legislative changes. The SMGB restates in its Observations and Recommendations section of this report where it believes the Legislature could address specific elements of SMARA to increase efficiency and effectiveness in carrying out the stated intentions of the statute and regulations. The SMGB also strongly supports the need to provide a steady and reliable funding source that will allow continued mapping activities under the A-P EFZ Act and the SHMA, among other CGS programs.

Stephen M. Testa
Executive Officer

STATE MINING AND GEOLOGY BOARD ANNUAL REPORT FOR 2012 – 2013

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INTRODUCTION

ORGANIZATION AND RESPONSIBILITIES OF THE SMGB

The *State Mining and Geology Board* (SMGB) was established in 1885 as the *Board of Trustees*. Its purpose was to oversee the activities of the State Mineralogist and the Bureau of Mines (formerly the Division of Mines and Geology, and now the California Geological Survey (CGS)), and the State's geological survey, which were created by the Legislature five years earlier. The general policy for CGS is established by the SMGB. These responsibilities recognize the impacts that California's complex geology, large amounts of federally managed lands, high mineralization, and potential for geologic hazards have on the State's economy, land use, and public safety.

Today's SMGB is composed of nine members appointed by the Governor, and confirmed by the Senate, for four-year staggered terms. By statute, SMGB members must have specific professional backgrounds in geology, mining engineering, environmental protection, groundwater hydrology and rock chemistry, urban planning, landscape architecture, mineral resource conservation, and seismology, with one non-specialized member representing the general public. During this annual reporting period, the groundwater hydrology and rock chemistry seats became vacant, and the landscape architecture seat has remained vacant since January 2011.

To enable the SMGB to meet its responsibilities most effectively, it has established standing committees to gather information and formulate recommendations on a variety of topics. These committees include the Geohazards Committee, the Mineral and Geologic Resources Committee, the Policy and Legislation Committee, and the Surface Mining Standards Committee. The full SMGB, and these committees, meet in regularly scheduled sessions on a monthly or as-needed basis.

The SMGB has one active advisory group which is the Alquist-Priolo Technical Advisory Committee (A-P TAC). This subcommittee reports to the SMGB through the Geohazards Committee, and is involved with considering current knowledge in engineering and the geological sciences, and their impact on the A-P EFZ Act. The subcommittee is composed of 16 professional members with various scientific, engineering, governmental, and business specialties. The subcommittee members are part time, and are not paid for their services. Since 2007 the A-P TAC has met on nine occasions. The Executive Officer has been assigned the responsibility to prepare the report based on discussions of the A-P TAC, which is in process. Upon completion the report will be reviewed by the A-P TAC and the report, including recommendations, will be forwarded to the Geohazards Committee for consideration.

The SMGB is housed within the Department of Conservation (DOC), and is granted certain autonomous responsibilities and obligations under several statutes. The SMGB's general authority is granted under Public Resources Code (PRC) Sections 660-678 (Appendix A). Specifically, PRC Section 662(b) requires all SMGB members to "represent the general public interest". The SMGB serves as a regulatory, policy and appeals body representing the State's interests in geology, geologic and seismologic hazards, conservation of mineral resources and reclamation of lands following surface mining activities.

Pursuant to PRC Section 672, general policies for the CGS are determined by the SMGB. Pursuant to PRC Section 677, the SMGB also nominates, and the director appoints, the State Geologist, who shall either be registered in compliance with the Geologist and Geophysicist Act at least one year from the date of appointment, or the Board for Professional Engineers, Land

Surveyors, and Geologists may, upon the review of academic and professional experience, grant registration. The State Geologist possess general knowledge of mineral resources, structural geology, seismology, engineering geology, and related disciplines in science and engineering, and the reclamation of mined lands and waters. The State Geologist also advises the director regarding technical, scientific, and engineering issues, including the scientific quality of the CGS's products and activities.

SURFACE MINING AND RECLAMATION ACT OF 1975

Extraction of minerals in a responsible manner is essential to the continued economic well-being of the State and to the needs of society, and the thoughtful reclamation of mined lands is necessary to prevent or minimize adverse effects on the environment and to protect the public health and safety.

Under SMARA, the SMGB is authorized and directed to represent the State's interests in the development, utilization, and conservation of the State's mineral resources, the reclamation of mined lands, and federal matters pertaining to surface mining within the State.

Principal populations served:

- 113 "Lead Agencies" (counties and cities), with authority over surface mining operations within their jurisdictions;
- 1,132 reporting surface mining operations within the State as of 2011;
- Department of Conservation's Office of Mine Reclamation;
- Department of Conservation's California Geological Survey.

Pursuant to PRC Section 672, the SMGB also represents the state's interest in federal matters pertaining to mining, and shall determine, establish, and maintain an adequate surface mining and reclamation policy.

ALQUIST-PRIOLO EARTHQUAKE FAULT ZONING ACT

Pursuant to PRC Section 672, the SMGB represents the state's interest in the development of geological information necessary to the understanding and utilization of the state's terrain, and seismological and geological information pertaining to earthquake and other geological hazards. Under the A-P EFZ Act, the SMGB is authorized and directed to represent the State's interests in establishing professional guidelines and standards for geological and geophysical investigations and reports produced by CGS, public sector agencies, and private practitioners. The SMGB is also authorized to develop specific criteria through regulations that shall be used by affected lead agencies in complying with the provisions of the A-P EFZ Act so as to protect the health, safety and welfare of the public.

The A-P EFZ Act (PRC Chapter 7.5, Section 2621 through Section 2630) is intended to provide policies and criteria to assist cities, counties and State agencies in the exercise of their responsibilities to prohibit the location of developments and structures for human occupancy across the trace of active faults as defined by the SMGB. Further, it is the intent of the A-P EFZ Act to provide the citizens of the State with increased safety and to minimize the loss of life

during and immediately following earthquakes by facilitating seismic retrofitting to strengthen buildings, including historical buildings, against ground shaking.

Principal populations served:

- 140 "Lead Agencies" (counties and cities), are affected by the A-P EFZ Act with within their jurisdictions City, county and State agencies having jurisdictions over zoning ordinances, building codes, and general plan developments;
- Land developers and contractors;
- California Geological Survey;
- Professional geological, geophysical, and engineering consulting community.

SEISMIC HAZARDS MAPPING ACT

Under the SHMA, the SMGB is authorized to provide policy and guidance through regulations for a statewide seismic hazard mapping and technical advisory program to assist cities, counties, and State agencies in fulfilling their responsibilities for protecting the public health and safety from the effects of strong ground shaking, liquefaction or other ground failure, landslides and other seismic hazards caused by earthquakes, including tsunami and seiche threats.

The SHMA (PRC Chapter 7.8, Section 2690 through Section 2699.6) establishes the authority to provide programs to identify and map seismic hazard zones in the State so that cities and counties can adequately prepare the safety element of their general plans, and to encourage land use management policies and regulations that reduce and mitigate those hazards so as to protect public health and safety.

Principal populations served:

- 106 "Lead Agencies" (counties and cities) are affected by the SHMA within their jurisdictions - City, county and State agencies having jurisdictions over zoning ordinances, building codes, and general plan developments;
- Land developers and contractors;
- California Geological Survey;
- Professional geological, geophysical, and consulting community.

MISSION STATEMENT

"The mission of the State Mining and Geology Board is to represent the State's interest in the development, utilization and conservation of mineral resources; reclamation of mined lands; development and dissemination of geologic and seismic hazard information; and to provide a forum for public redress."

SMGB ACTIONS PURSUANT TO THE ALQUIST-PRIOLO EARTHQUAKE FAULT ZONING ACT

The Alquist-Priolo Earthquake Fault Zoning Act (A-P EFZ Act - PRC Sections 2621 et seq.) provides for the mapping by CGS (formerly referred to as the Division of Mines and Geology, or DMG) of "Earthquake Fault Zones" along the surface traces of active faults in California. Mapping is done according to policies established by the SMGB. These Earthquake Fault Zones Maps are provided to local governments for their land-use planning and decision making.

The A-P EFZ Act was signed into law following the destructive 1971 M_w 6.6 San Fernando earthquake. This law initially was designated as the Alquist-Priolo Geologic Hazards Zones Act. In May 1975 it was re-named the Alquist-Priolo Special Studies Zones Act. In January 1994, the Act was given its current name. Information regarding the A-P EFZ Act and an index of the mapped Earthquake Fault Zones is available in CGS Special Publication No. 42 (Revised 1997, with supplements added in 1999; 2007 digital version; <ftp://ftp.consrv.ca.gov/pub/dmg/pubs/sp/Sp42.pdf>).

The intent of the A-P EFZ Act is to insure public safety by safeguarding certain new construction from the hazard of surface fault rupture. To this effect, the A-P EFZ Act prohibits the construction of most structures for human occupancy, as defined, across the trace of an active fault. Lead agencies (cities and counties) affected by these Zones must regulate certain construction developments within the Zones. Lead agencies must not issue development permits for sites located within Earthquake Fault Zones until geologic investigations demonstrate that the sites are not threatened by surface displacement from future faulting.

In California, there are about 150 named faults with Holocene displacement. This is a minimum number because it is based on the naming of fault zones, not individual faults. The amount of actual land surface covered by clearly mapped active fault zones is on the order of 0.0089 percent (or 1,381 square miles) of the total land surface of California; the actual area that is unbuildable is much less. These zones are typically 1,000 feet in width (0.189 mile), but in practice are usually greater, with an average width of 0.306 miles. The total linear miles of zoned active faults in California is about 4,500.

As of July 2006, 559 Official maps of Earthquake Fault Zones had been issued by CGS. Of these, 160 have been revised since their initial issue, and four maps have been withdrawn. Thirty-six counties and 103 cities are affected by the existing Earthquake Fault Zones (Table 1). Since July 1, 2000, 14 additional maps have been generated, with one map being revised (Table 2). No new maps were released during the 2012-2013 reporting period. A typical Earthquake Fault Zone Map, for the Corona South Quadrangle Revised Official Map Effective May 1, 2003, is shown in Figure 1. Overall, the A-P EFZ Program has been severely impacted by budgetary constraints for the past several years.

The A-P EFZ Act affects 104 Cities and 36 Counties as illustrated in Table 1.

Table 1 Cities and Counties Affected by Earthquake Fault Zones as of June 30, 2013			
Cities (103)			Counties (36)
American Canyon	Hemet	San Bruno	Alameda
Arcadia	Highland	San Diego	Alpine
Arcata	Hollister	San Fernando	Butte
Arvin	Huntington Beach	San Jacinto	Contra Costa
Bakersfield	Indio	San Jose	Fresno
Banning	Inglewood	San Juan Bautista	Humboldt
Barstow	La Habra	San Leandro	Imperial
Beaumont	La Habra Heights	San Luis Obispo	Inyo
Benicia	Lake Elsinore	San Marino	Kern
Berkeley	Livermore	San Pablo	Lake
Bishop	Loma Linda	San Ramon	Lassen
Brea	Long Beach	Santa Clarita	Los Angeles
Calimesa	Los Angeles	Santa Rosa	Marin
Camarillo	Malibu	Seal Beach	Mendocino
Carson	Mammoth Lakes	Signal Hill	Merced
Cathedral City	Milpitas	Simi Valley	Modoc
Chino Hills	Monrovia	South Pasadena	Mono
Coachella	Moorpark	South San Francisco	Monterey
Colton	Moreno Valley	Temecula	Napa
Compton	Morgan Hill	Trinidad	Orange
Concord	Murrieta	Twentynine Palms	Riverside
Corona	Oakland	Union City	San Benito
Coronado	Pacifica	Upland	San Bernardino
Culver City	Palmdale	Ventura (San Buenaventura)	San Diego
Daly City	Palm Springs	Walnut Creek	San Luis Obispo
Danville	Palo Alto	Whittier	San Mateo
Desert Hot Springs	Pasadena	Willits	Santa Barbara
Dublin	Pleasanton	Windsor	Santa Clara
El Cerrito	Portola Valley	Woodside	Santa Cruz
Fairfield	Rancho Cucamonga	Yorba Linda	Shasta
Fontana	Redlands	Yucaipa	Siskiyou
Fortuna	Rialto	Yucca Valley	Solano
Fremont	Richmond		Sonoma
Gardena	Ridgecrest		Stanislaus
Glendale	Rosemead		Ventura
Hayward	San Bernardino		Yolo

Under the A-P EFZ Act, there is a 90-day review period upon the issuance of Preliminary Earthquake Fault Zone Maps by the State Geologist, and the SMGB conducts public hearings within the affected lead agencies to receive technical comments about the maps (Table 2). These comments are reviewed by the SMGB's Geohazards Committee, and then forwarded to the State Geologist for consideration for inclusion in the Official Earthquake Fault Zone Maps.

The approval of a project by a city or county must be in accordance with the policies and criteria submitted to and approved by the SMGB.

The policy and criteria of the SMGB, with reference to the Alquist-Priolo Earthquake Fault Zoning Act, provides an administrative procedure for the receipt of public comments regarding new or revised preliminary earthquake fault zone maps.

Pursuant to the California Code of Regulations (CCR), Article 10, Section 3602(a):

“Within 45 days from the issuance of proposed new or revised preliminary earthquake fault zone map(s), cities and counties shall give notice of the Board’s announcement of a ninety (90) day public comment period to property owners within the area of the proposed zone.”

Pursuant to CCR, Article 10, Section 3206(c):

“The Board shall receive public comments during the 90-day public comment period. The Board shall conduct at least one-public hearing on the proposed zone map(s) during the 90-day public comment period.”

Pursuant to CCR, Article 10, Section 3206(d):

“Following the end of the 90-day public comment period, the Board shall forward its comments and recommendations with supporting data received to the State Geologist for consideration prior to the official earthquake fault zone map(s).”

Public Resources Code (PRC) Section 3722(b) further states *“Following the end of the review period, the Board shall forward its comments and recommendations, with supporting data received, to the State Geologist for consideration prior to revision and official issuance of the maps.”* No new Preliminary Maps of Proposed Earthquake Fault Zones were published during this annual reporting period.

Table 2
Summary of Public Hearings on Preliminary Earthquake Fault Zone Maps
Held by SMGB since 2000

Quadrangle	Affected Cities and Counties	Number of Preliminary Maps	SMGB Public Hearing Date
Corona North and Corona South Quadrangles (City of Corona), Deadman Lake NW, Deadman Lake SE, Deadman Lake SW, Hector, Hidalgo Mountain, Lavic Lake, Lavic Lake SE, Morgan's Well, Sleeping Beauty, Sunshine Peak, and Prado Dam Quadrangle (San Bernardino County), and Point Loma Quadrangle (San Diego County).	City of Corona, and San Bernardino and San Diego Counties.	14	1/16/2003
Malibu Beach Quadrangle (Los Angeles County)	Los Angeles County	1	2/16/2007
Carrizo Mountain, Coyote Wells, Durmid, Hayward, Mecca, Mortmar, Mount Signal, Orocopia Canyon, Painted Gorge, Piru, Plaster City, Salton, and Yuha Basin.	Cities of Hayward, Oakland, and San Leandro; Counties of Alameda, Imperial, San Diego, Riverside and Ventura.	13	5/10/2012

SMGB ACTIONS PURSUANT TO THE SEISMIC HAZARDS MAPPING ACT

The Seismic Hazards Mapping Act (SHMA) became effective on April 1, 1991, and created a statewide seismic hazards mapping and technical advisory program to assist cities and counties in fulfilling their responsibilities for protecting the public's health and safety from the effects of strong ground shaking, liquefaction or other ground failure, landslides, and other seismic hazards caused by earthquakes. Specifically, the SHMA requires the delineation of seismic hazard zones by CGS, site-specific geotechnical investigations for development projects within zones, and the disclosure by sellers to prospective buyers of lands located in seismic hazard zones.

Ten counties and 96 cities are affected by Seismic Hazard Zone Maps (Table 3). Between July 2000 and July 2013, 78 Official Seismic Hazard Zone Maps were released. Each map covers an area of approximately 60 square miles. Prior to the release of the Official maps, a Preliminary set of maps is released for public review and comment. The SMGB's Geohazards Committee, or in some cases the whole SMGB, conducts public hearings within the affected local jurisdictions to receive both general and technical comments on the maps. These comments are reviewed by the Committee and/or SMGB, and then forwarded to the State Geologist for consideration in preparing the final set of Official Maps. No new maps were issued during this annual reporting period.

A new Preliminary Seismic Hazard Zone Map was released by CGS for review and comment. The preliminary map, issued on April 26, 2012, is specific to the area encompassed in the Lick Observatory Quadrangle, Santa Clara County. The resulting map was modified relative to earlier versions and included both Alquist-Priolo Earthquake Fault Zones and Seismic Hazard Zones (Figure 2). A summary of Lead Agencies affected by the Seismic Hazards Zone Maps are presented in Table 3. A summary of Public Hearings on Preliminary Seismic Hazards Maps held by SMGB since 2000 is presented in Table 4.

Table 3
Lead Agencies Affected
By the Seismic Hazards Zone Maps

Cities			Counties
Agoura Hills	Industry	Orange	Alameda
Anaheim	Inglewood	Palos Verdes Estates	Los Angeles
Arcadia	Irvine	Paramount	Orange
Artesia	Irwindale La	Pasadena	Riverside
Azusa	Canada-Flintridge	Pico Rivera	San Francisco
Baldwin Park	La Habra	Placentia	San Bernardino
Bell	La Habra Heights	Pomona	San Mateo
Bell Gardens	La Mirada	Rancho Palos Verdes	Santa Clara
Bellflower	La Palma	Redondo Beach	San Diego
Beverly Hills	La Puente	Rolling Hills	Ventura
Brea	La Verne	Rolling Hills Estates	
Buena Park	Laguna Beach	Rosemead	
Burbank	Laguna Hills	San Dimas	
Calabasas	Lakewood	San Fernando	
Carson	Lomita	San Francisco	
Cerritos	Long Beach	San Gabriel	
Claremont	Los Alamitos	San Marino	
Commerce	La Habra	Santa Ana	
Compton	La Habra Heights	Santa Clarita	
Corona	La Mirada	Santa Monica	
Costa Mesa	La Palma	Seal Beach	
Covina	La Puente	Sierra Madra	
Cudahy	La Verne	Signal Hill	
Culver City	Laguna Beach	Simi Valley	
Cypress	Laguna Hills	South El Monte	
Diamond Bar	Lakewood	South Gate	
Downey	Lomita	South Pasadena	
Duarte	Long Beach	Stanton	
El Monte	Los Alamitos	Temple City	
El Segundo	Los Angeles	Thousand Oaks	
Fountain Valley	Lynwood	Torrance	
Fullerton	Malibu	Tustin	
Garden Grove	Manhattan Beach	Vernon	
Gardena	Maywood	Villa Park	
Glendale	Mission Viejo	Walnut	
Glendora	Monrovia	West Covina	
Hawaiian Gardens	Montebello	West Hollywood	
Hermosa Beach	Monterey Park	Westlake Village	
Hidden Hills	Moorpark	Westminster	
Huntington Beach	Murrieta	Whittier	
Huntington Park	Newport Beach	Yorba Linda	
	Norwalk		

Table 4
Summary of Public Hearings on Preliminary Seismic Hazards Maps
Held by SMGB since 2000

Quadrangle	Affected Cities and Counties	Number of Preliminary Maps	SMGB Public Hearing Date
Oxnard (Ventura County), Malibu Beach (Los Angeles County), and San Juan Capistrano, and Dana Point Quadrangles (Orange County).	Los Angeles, Orange and Ventura Counties.	3	10/11/2001
San Clemente Quadrangle (Orange County), Santa Paula Quadrangle (Ventura County), and Mountain View Quadrangle (Santa Clara County).	Orange, Santa Clara and Ventura Counties.	3	3/14/2002
Fillmore, Ojai, Piru, Pitas Point, Saticoy, Oxnard Quadrangles (Ventura County), Val Verde Quadrangle (Los Angeles, and Ventura Counties), and Santiago Peak Quadrangle (Orange County).	Los Angeles, Orange and Ventura Counties.	8	11/14/2002
Richmond, Oakland East, Oakland West, Briones Valley, Hunters Point, and San Leandro Quadrangles (Alameda County).	Alameda County.	6	11/14/2002
Corona North and Corona South Quadrangles (City of Corona), Deadman Lake NW, Deadman Lake SE, Deadman Lake SW, Hector, Hidalgo Mountain, Lavic Lake, Lavic Lake SE, Morgan's Well, Sleeping Beauty, Sunshine Peak, and Prado Dam Quadrangle (San Bernardino County), and Point Loma Quadrangle (San Diego County).	City of Corona, San Bernardino and San Diego Counties.	14	1/16/2003
High Vista, Condor Peak, Agua Dulce, and Lovejoy Buttes Quadrangles (Los Angeles County), Matilija Quadrangle (Ventura County).	Los Angeles and Ventura Counties.	5	1/16/2003
Hayward, Mountain View, Newark, and Redwood Point Quadrangles (Alameda County), and the Ventura Quadrangle (Ventura County).	Alameda and Ventura Counties.	4	3/13/2003
Alpine Buttes, Lancaster East, Lancaster West, Littlerock, and Ritter Ridge Quadrangles (Los Angeles County), and Santa Teresa Hills Quadrangle (Santa Clara County).	Los Angeles and Santa Clara Counties.	6	4/4/2003
Acton and Pacifico Mountain Quadrangles (Los Angeles County).	Los Angeles County.	2	5/23/2003
Lake Hughes, Little Buttes, Del Sur, Rosamond, Sleepy Valley, Palmdale, Juniper Hills, Valyermo Quadrangles (Los Angeles County), and Santa Paula Peak Quadrangle (Ventura County).	Los Angeles and Ventura Counties.	9	7/10/2003
Milpitas and Niles Quadrangles (Alameda County), and Morgan Hill Quadrangle, (Santa Clara County).	Alameda and Santa Clara Counties.	3	6/10/2004
Alpine Butte, Del Sur, Lancaster East, Lancaster West, Rosamond Quadrangles (Los Angeles County).	Los Angeles County.	5	9/9/2004
Yorba Linda Quadrangle (Los Angeles, Orange, San Bernardino), Castle Rock Ridge Quadrangle (Santa Clara County), and Mindogo Hill Quadrangle (Santa Clara and San Mateo Counties).	Los Angeles, San Mateo and Santa Clara Counties.	3	3/10/2005

Table 4 (Continued)
Summary of Public Hearings on Preliminary Seismic Hazards Maps
Held by SMGB since 2000

Quadrangle	Affected Cities and Counties	Number of Preliminary Maps	SMGB Public Hearing Date
Mountain View and Palo Alto Quadrangles (Santa Clara, San Mateo, and Alameda Counties), and Mount Sizer Quadrangle (Santa Clara County).	Alameda, San Mateo and Santa Clara Counties.	3	7/13/2006
Murrieta Quadrangle.	Riverside County.	1	6/12/2007
Dublin Quadrangle.	Alameda County.	1	5/10/2008
Livermore Quadrangle.	Alameda County.	1	5/10/2008
Lick Observatory Quadrangle.	Santa Clara County.	1	9/13/2012

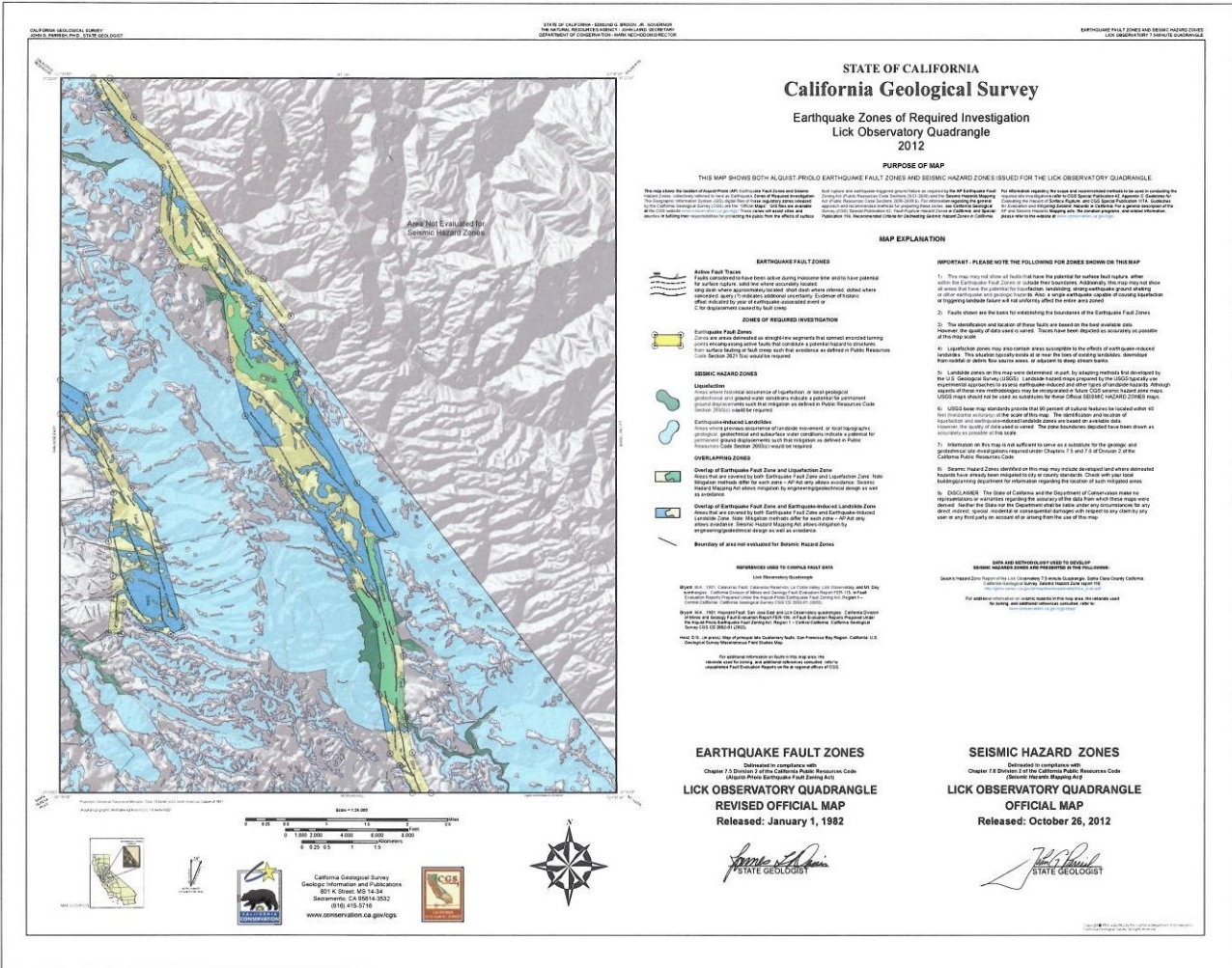


Figure 2. Earthquake Zones of Required Investigation for the Lick Observatory Quadrangle released on March 7, 2012 and published on October 26, 2012.

SMGB ACTIONS PURSUANT TO THE SURFACE MINING & RECLAMATION ACT OF 1975

The Surface Mining and Reclamation Act of 1975 (SMARA, PRC Sections 2710 et seq.) provides a comprehensive surface mining and reclamation policy for the regulation of surface mining operations. SMARA encourages the production, conservation, and protection of the State's mineral resources, and assures that adverse environmental impacts are minimized and mined lands are reclaimed to a usable condition. In addition, PRC Section 2207 also provides annual reporting requirements for all mines in the State, under which the SMGB also is granted authority and obligations.

SCOPE OF SMARA AUTHORITY

SMARA provides for a three-tiered approach to accomplish its administration and enforcement. The primary entity responsible for the SMARA's enforcement is the local "lead agency" - that is, the city or county in which a surface mine operates. The lead agency is responsible for assuring that all surface mine operations within its jurisdiction are in full compliance with SMARA. SMARA prescribes specific responsibilities and powers to the lead agency.

Should a lead agency fail to bring, or become incapable of bringing one or more surface mining operations into compliance, statute allows for the Director of the DOC to commence enforcement at individual surface mining sites. SMARA prescribes specific responsibilities and powers to the Director. The DOC is also responsible for providing technical reviews of reclamation plans and financial assurances to lead agencies to ensure that the requirements of SMARA have been addressed in the reclamation plans prior to their formal approval by the lead agency. California is the only State that regulates mine reclamation by means of local lead agencies. All other States regulate mine reclamation through a single State office (SMGB Information Report 2007-04).

The third tier of enforcement lies with the SMGB. Under SMARA, the SMGB is provided authority to hear appeals of enforcement actions taken by the Director against surface mine operators, as well as appeals of certain decisions regarding reclamation plans and financial assurances taken by a lead agency. In addition, the SMGB is provided authority to assume a lead agency's SMARA authority when a lead agency's actions are in violation of the statute, or if the lead agency defaults on its SMARA responsibilities and obligations. The SMGB may also exempt from the requirements of SMARA specific surface mining operations that are of limited scope and duration, and cause little land disturbance.

Promulgation of regulations that clarify and make more specific SMARA statutes also lies within the SMGB's authority. Examples of these regulations include the Reclamation Standards for lands disturbed by surface mining activities (California Code of Regulations (CCR) Section 3700 et seq.), and the designation of mineral lands of regional significance.

SMARA affects 113 jurisdictions comprised of 62 Cities and 51 Counties, excluding the SMGB (Table 5).

Table 5 Lead Agencies Affected by the Surface Mining and Reclamation Act			
County	County	City	City
Alameda	Orange	Amador City	Needles
Amador	Placer	Anaheim	Oakland
Butte	Plumas Riverside	Apple Valley	Oceanside
Calaveras	County	Atascadero	Oroville
Colusa	Sacramento County	Azusa	Oxnard
Contra Costa	San Benito County	Bakersfield	Pacifica
Del Norte	San Bernardino	Banning	Palmdale
Fresno	County	Barstow	Paso Robles
Glenn	San Diego	Chula Vista	Perris
Humboldt	San Joaquin San	Claremont	Poway
Imperial	Luis Obispo San	Colton	Rancho Cordova
Inyo	Mateo Santa	Corona	Redding
Kern	Barbara	Fontana	Redlands
Kings	Santa Clara Santa	Fremont	Rialto
Lake	Cruz Shasta Sierra	Fresno	Riverside
Lassen	Siskiyou Solano	Grass Valley	Sacramento
Los Angeles	Sonoma	Hayward	Saint Helena
Madera	Stanislaus	Healdsburg	San Bernardino
Marin	Sutter	Highland	San Diego
Mariposa	Tehama	Ione	San Jacinto
Mendocino	Trinity	Irwindale	San Marcos
Merced	Tulare	Jackson	Santa Maria
Modoc	Tuolumne	Lake Elsinore	Santa Rosa
Mono	Ventura	Lake Forest	Santee
Monterey	Yolo	Lathrop	Taft
Napa		Lompoc	Tracy
		Los Angeles	Truckee
		Mammoth Lakes	Twenty Nine Palms
		Monrovia	Upland
		Montague	Yreka
		Mount Shasta	

The core services and activities of the SMGB are:

- Establish mining and reclamation standards and policies and provide guidance and direction to lead agencies, mine operators, the California Geological Survey, the Office of Mine Reclamation, and other agencies and organizations (Federal, State, local);
- Represent the interests of the State in SMARA matters that are appealed to the SMGB for action;
- Develop regulations to implement the statutes statewide so as to ensure an evenhanded application of the law throughout an environmentally and economically diverse State;

- Minimize residual hazards from surface mining operations to the public health and safety;
- Encourage the production and conservation of the State's mineral resources, while providing standards for the protection and preservation of the State's recreation, watershed, wildlife, range and forage, and aesthetic features; and
- Certify lead agency surface mining ordinances as being in accordance with the requirements of SMARA.

CHANGES TO SMARA SINCE 2000

SMARA became effective on January 1, 1976. The statute is unique in two respects: (1) mining is regulated locally by cities and counties which are referred to as lead agencies, and (2) processes for the conservation of mineral resources is provided. SMARA has been amended twenty-eight times since its enactment in 1975. Significant changes to SMARA occurred in 1987 with AB 747 (Sher), in 1990 with AB 3551 (Sher), in 1990 with AB 3903 (Sher), and 1991 with AB 1506 (Sher), and in 2013 with SB 108 (Rubio). These amendments provided for additional performance standards for mine reclamation, mandatory financial assurances guaranteeing reclamation, time constraints for surface mines without approved reclamation plans to comply or else be closed until compliance was achieved, mandatory annual inspections of mines by the lead agency, establishment of annual mining reports and fees from mine operators to support the SMARA program within the DOC, implementation of new procedures for lead agency conditional approval of reclamation plans and financial assurances, and a mechanism for surface mine sites deemed abandoned to be considered idle or active.

Statutory Changes

Effective January 1, 2012, Senate Bill 108 (SB 108 - Rubio, Chapter 491, Statutes of 2011) amended PRC Sections 2727.1 and 2770, and added PRC section 2777.5. This amendment revised the definition of “idle;” adjusted the period of time an interim management plan (IMP) can remain in effect; allowed a mine operator to correct misreported annual reports; and allowed certain mining operations, that are by definition considered abandoned, to be returned to idle status.

Prior to January 1, 2012, PRC Section 2727.1 defined a mine to be “*idle*” when the operation curtailed annual mineral production by more than 90 percent of its previous maximum mineral production, for a period of one year or more with the intent to resume surface mining operations at a future date. Under SB 108, the definition remains the same except for the mine’s production history which will now be reduced to the last five years of mineral production, not including any time during which an IMP is approved. The full new version of PRC Section 2727.1 reads as follows:

"Idle" means that an operator of a surface mining operation has curtailed production at the surface mining operation, with the intent to resume the surface mining operation at a future date, for a period of one year or more by more than 90 percent of its maximum annual mineral production within any of the last five years during which an interim management plan has not been approved.

PRC Section 2770 was also amended to provide for an IMP to be renewed for additional five-year periods at the expiration of each five-year period, if the lead agency finds that the surface mining operator has complied fully with the IMP.

PRC section 2777.5 was added to allow a surface mining operation that failed to properly report a mine's mineral production or mine status from previous production years, to correct reported production or mine's status by attaching corrected annual reports to the 2012 annual report and remit on or before July 1, 2013, but only if the lead agency confirms in writing to the Department of Conservation (Department) all of the following:

1. The mine operator has provided written notification to the Department and the lead agency of their intention to continue surface mining operations. Lead agency confirmation should include copies of the notifications provided.
2. The mine operator has an existing valid permit or a vested right to conduct surface mining operations. Confirmation should include a copy of the valid permit or a copy of the vested right determination.
3. The mining operation is in compliance with an approved reclamation plan or applicable compliance order; has an approved financial assurance in place that the lead agency determines is adequate for reclamation pursuant to the approved reclamation plan; and has been inspected by the lead agency. Confirmation should include a copy of the 2011 or later inspection report and inspection notice pursuant to PRC section 2774(b) and evidence that the annual financial assurance cost estimate (FACE) has been approved as of 2011 or later.

Upon receiving notification of an operator's intent to resume surface mining operations (item 1 above), the Office of Mine Reclamation (OMR) may conduct an inspection of the mine to confirm compliance with the conditions under new PRC section 2777.5. The mine operator requesting a correction of mine status or a return to idle status will be responsible for the reasonable costs of the inspection by OMR. A copy of OMR's inspection report will be provided to the lead agency.

If a mine is under a compliance order issued pursuant to SMARA, the lead agency shall confirm that the operator is in compliance with the terms of the order. Confirmation to the Department should include a copy of the compliance order along with a description of the operator's compliance history under the compliance order.

4. The mine operator has demonstrated that there are commercially useful mineral reserves remaining at the surface mining operation. Examples of satisfactory confirmation may include a map with cross sections of the remaining deposit, a report from a California Licensed geologist, mineral assessor, or an estimate based on the total anticipated quantity of minerals specified in the approved reclamation plan minus the sum total of reported annual production.
5. The mine operator has paid the Department any fees due for years during which the operation's mineral production or status was not properly reported. Confirmation should include written verification from the Department that fees have been paid; such confirmation of fee payment will be provided to the lead agency upon request.

6. The mine operator has provided evidence to support any modified production reported on corrected annual reports. Confirmation may include weight tickets, sales receipts, sales contracts, etc.

New PRC Section 2777.5 provides that a mine operator of a mine that became idle as defined in SMARA Section 2727.1 but that failed to timely file an interim manage plan may also submit to their lead agency an IMP that may be approved so long as the operator follows the procedures for correcting previous reported mineral production under new PRC Section 2777.5(a) as set forth above.

In summary, a mining operation that is considered abandoned due to improperly reported mineral production or status and/or the failure to timely file an IMP may be returned to a pre-abandoned status at the request of the operator and upon lead agency verification of items 1-6 above if previously filed annual reports are properly amended and/or an IMP is approved, all by July 1, 2013.

Regulatory Changes and Considerations

No new or amended regulations were enacted during this reporting period. However, several policy matters were discussed by the SMGB during this reporting period which would potentially require regulations. Notably, such discussions focused on the need to address due process when the Office of Mine Reclamation considers removal of a surface mining operator from the AB 3098 List, mandatory notification and re-certification of amended mining ordinances, and assuring that annual mine fees are calculated in an equitable manner.

Proposed Regulatory Language Regarding the Administrative Appeal Process for Removal of Surface Mining Operations from the AB 3098 List: The Department of Conservation, Office of Mine Reclamation (OMR) periodically publishes a list of mines regulated under SMARA that meet provisions set forth under PRC Section 2717(b). This list is generally referred to as the AB 3098 List, in reference to the 1992 legislation that established it. Sections 10295.5 and 20676 of the Public Contract Code preclude mining operations that are not on the AB 3098 List from selling sand, gravel, aggregates, or other mined materials, to state or local agencies. The Policy and Legislation Committee held several meetings to discuss proposed regulations and take public comment. The need for a due process for the removal and reinstatement of a surface mining operation from the AB 3098 List has been recognized by the SMGB, and draft regulatory language was discussed and drafted.

At its November 10, 2010, meeting, the Policy and Legislation Committee (Committee) considered preliminary regulatory concepts and directed its Executive Officer and legal counsel to provide a proposed regulation for the Committee's consideration for its December 9, 2010, meeting. Further discussions were held at the Committee's December 9, 2010, and January 13, February 10, March 10, July 26, and December 8, 2011, scheduled meetings. The Committee, at its July 26, 2011 meeting, moved for the Executive Officer to hold several workshops throughout the state to receive comment on the preliminary proposed language. Due to other commitments and scheduling conflicts, no such workshops were scheduled. At its March 8, 2012, meeting, the Committee concurred with the recommendation of the Executive Officer to defer further consideration of proposed regulations pending resolution of a legislative consideration.

A status report was provided by the Department at the Committee's meeting held on September 13, 2012. Efforts to resolve the issue pertaining to "due process" via legislative action was not accomplished. Thus, a draft version of proposed regulatory language was

approved by the SMGB at its October 11, 2012, regular business meeting, and forwarded to the Director of the Department of Conservation for review and consideration.

Mandatory Notification and Recertification of Amended Mining Ordinances: Pursuant to PRC Section 2728, a lead agency is defined as the city, county, San Francisco Bay Conservation and Development Commission, or the SMGB, that has the principal responsibility for approving a surface mining operation or reclamation plan. In order for a lead agency to have such responsibility, it must have a mining ordinance that has been certified by the SMGB.

The SMGB, pursuant to the PRC Section 2774.3, reviews lead agency ordinances which establish permit and reclamation procedures to determine whether each ordinance is in accordance with state policy. In addition, the SMGB certifies each ordinance to assure that the ordinance is in accordance with state policy if the ordinance adequately meets, or imposes requirements more stringent than the California surface mining and reclamation policies and procedures established by the SMGB. Procedures are set forth pursuant to PRC Section 2774.5(a), 2774.5(b) and 2774.5(c), should the SMGB find an ordinance upon review not to be in accordance with state policy. However, there is no mandatory notification to the SMGB, nor mandatory review and recertification, of an amended ordinance which may or may not be in accordance with existing state policy.

In considering certification or recertification of a mining ordinance, the SMGB is tasked with reviewing a lead agency's mining ordinance, and has authority to require that agency to adopt an ordinance that conforms to state policy. A lead agency can revise its ordinance, and the ordinance would become effective upon adoption. Furthermore, should the ordinance be in conflict or contrary to state policy, it remains effective until or unless the SMGB has an opportunity to review and pursue administrative actions afforded the SMGB pursuant to PRC Section 2774.5(a), (b) and (c). However, pursuant to PRC 2774.5(c), should the lead agency not have a certified ordinance (i.e., amended and adopted by the Board of Supervisors, but not recertified by the SMGB), no person shall initiate a surface mining operation unless a reclamation plan has been submitted to, and approved by, the SMGB. This raises an issue as to when the amended and subsequently adopted ordinance is effective when considering approval of a reclamation plan by the lead agency.

Surface mining ordinances are amended frequently; however, such amended amendments rarely come to the attention of the SMGB unless a lead agency requests a review, or via concerns expressed by stakeholders or the public. Therefore, the SMGB has no administrative mechanism which allows for the SMGB to determine when an ordinance has been amended, and thus an opportunity to review such ordinance.

The Policy and Legislation Committee at its December 13, 2012, meeting, subsequently moved to recommend approval of the proposed regulatory language to the whole SMGB. At its April 11, 2013, regular business meeting, the SMGB accepted the proposed language and directed its Executive Officer to commence the rulemaking process. The proposed language considered was as follows:

"Article 16. Mining Ordinances

Section 4000. Certification and Recertification of Mining Ordinances

(a). Upon adoption of a new mining ordinance, or amendment of an existing mining ordinance, a lead agency shall, within 30 days of such action, provide written notice of the complete text of the resulting mining

ordinance to the State Mining and Geology Board, to enable the Board to review the ordinance in accordance with Public Resources Code Sections 2774.3, 2774.5(a) and 2774.5(b).

(b). Where a lead agency has not provided the Board with timely notice of the complete text of its mining ordinance, consistent with subparagraph (a) herein, the mining ordinance shall not be considered to be in accordance with state policy until the mining ordinance is certified by the Board as being in accordance with state policy.”

Annual Mine Fees Calculation: PRC Section 2207(d) requires the SMGB to impose by regulation an annual reporting fee on each active and idle surface mining operation. Active and idle surface mining operations are defined in PRC Sections 2207(f), 2714, 2727.1, 2735, and Title 14 of CCR Section 3501, and include operations conducted by public agencies. PRC Section 2207(d) also states the annual fee imposed shall not be less than \$100 or more than \$4,000 for each operation. These amounts shall be adjusted for cost of living as measured by the California Consumer Price Index. Furthermore and most importantly, PRC Section 2207(d)(2)(A) requires fees to be calculated on an equitable basis reflecting the size and type of the operation, the total assessed value of the mining operation, the acreage disturbed by mining activities, and the acreage subject to the reclamation plan. A summary of approved mine fees and mine fees adjustments from 2000 to 2012 is shown in Figures 3a and 3b, respectively.

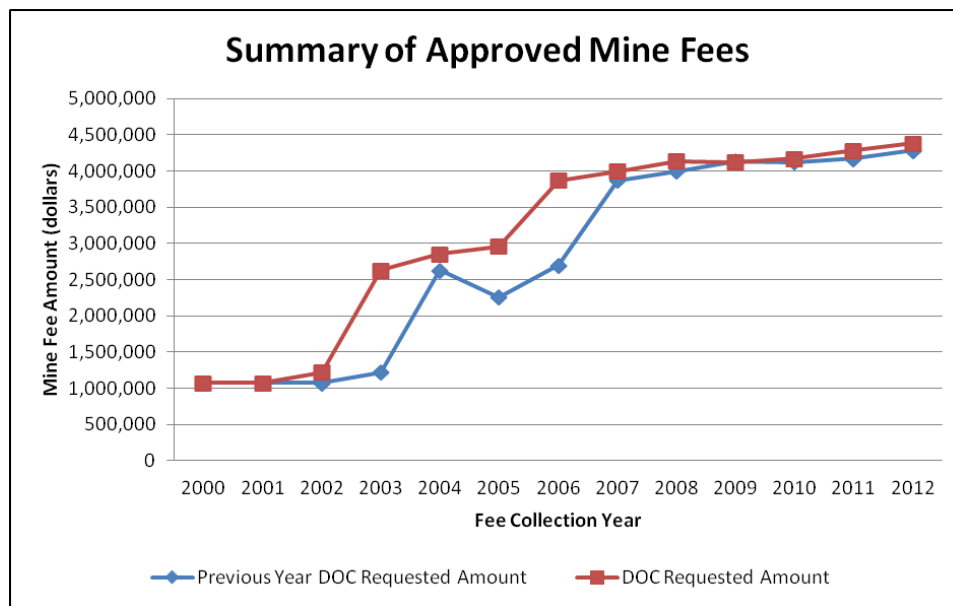


Figure 3a. Summary of approved mine fees from year 2000-2012.

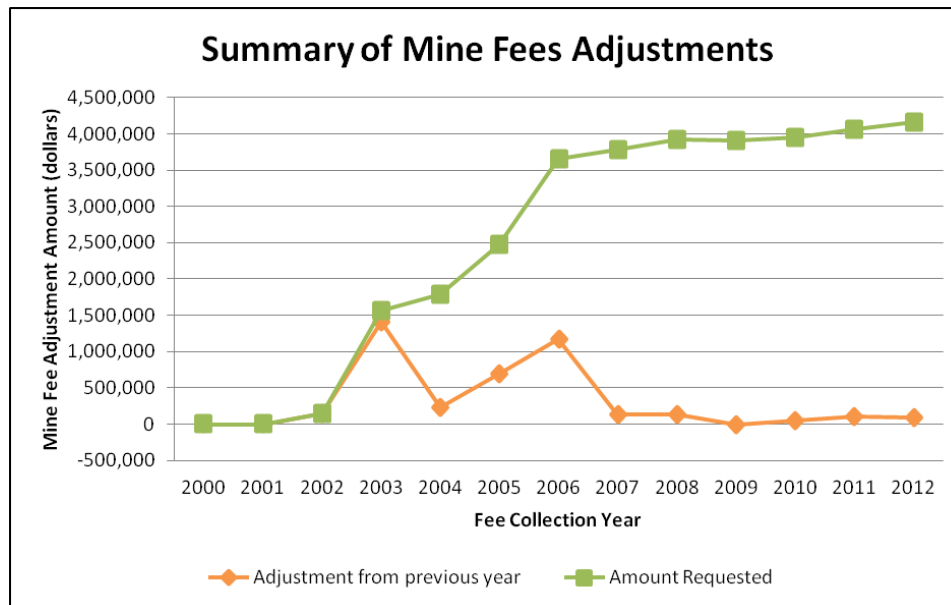


Figure 3b. Summary of mine fees adjustments from year 2000-2012.

The SMGB at its February 13, 2013, regular business meeting accepted the 2012 Annual Mine Fees. The amount requested by the Department of Conservation for Calendar Reporting Year 2012 was \$4,380,503; this amount represented an increase of \$96,087 over the amount requested for Calendar Reporting Year 2011. Estimating the funds to be collected in Calendar Year 2011 from set fees described in CCR Sections 3698 and 3699 to be \$3,518,165 the amount of fees to be collected for the 2012 Calendar Reporting Year was \$3,597,162. These figures included a Cost of Living Adjustment (COLA) of 2.2 percent as taken from the California Consumer Price Index for 2012. The result was that there would be an increase in fees in the mine categories listed in CCR Section 3698 for the 2012 Calendar Reporting Year.

With all industrial mineral sites now at the maximum fee amount with exception to those operations producing 100 tons or less, all gold and silver producers at the maximum fee amount with exception to those producing 10 ounces or less, and all base and other metals producers at the maximum fee amount with exception to those producing 10 pounds or less, the SMGB's Policy and Legislation Committee initiated discussion and consideration of other means in calculating the annual mine fees. Such means may entail a regulatory amendment, legislative amendment, or both.

Amended Inspection Form MRRC-1 (4/97) Pursuant to Title 14, Division 2, Chapter 8, Subchapter 1, California Code of Regulations, Article 1, Section 3504.5. Inspection of a surface mining operation is required not less than once each calendar year to determine if the surface mining operation is in compliance with the requirements of PRC Chapter 9, commencing with Section 2710. Inspection Form MRRC-1, as referred to in CCR Section 3504.5(g), was last revised in April 1997. The DOC develops the inspection form; whereas, the SMGB approves the form. Due to the overall poor quality and adequacy of inspections statewide, efforts to revise Inspection Form MRRC-1 have been initiated by OMR with collaboration from the Executive Officer.

California Code of Regulations (CCR) Section 3504.5(g) states:

“The inspection report to the lead agency shall consist of the inspection form MRRC-1 (4/97), developed by the department and approved by the board, and any other reports or documents prepared by the inspector or inspection team. The lead agency shall provide a copy of the completed inspection report along with the lead agency's statement regarding the status of compliance of the operation to the director within 30 days of completion of the inspection. A copy of the completed inspection report and lead agency statement of compliance shall also be provided to the mine operator within 30 days of completion of the inspection.”

At its October 11, 2012 meeting, the Policy and Legislation Committee discussed proposed revisions to the form, and requested that OMR report back to the Committee following sufficient time for stakeholders to review and comment. Comments from stakeholders and amendments to the revised form were further considered at the Committee's December 13, 2012, and March 14 and June 13, 2013 meetings. At its March 14, 2013, meeting, the Committee requested from OMR a copy of all comments received, and written indication as to how such comments were responded to. In addition, at its June 13, 2013 meeting, the Committee received additional comments from the California Construction and Industrial Materials Association (CalCIMA), which required further consideration. It was intended for the amended form to be approved by the whole SMGB at its next scheduled regular business meeting.

Guidelines and Policies

No new policies or guidelines were established during the 2012-2013 reporting period.

MINERAL RESOURCES CONSERVATION

California is one of the nation's leading mining States in terms of both value and diversity of minerals produced. Based on the U.S. Geological Survey's (USGS) preliminary data for 2011, California ranks seventh after Florida, Alaska, Utah, Minnesota, Arizona and Nevada, in the value of non-fuel production, accounting for approximately 3.9 percent of the nation's total. The market value of non-fuel mineral production for California was \$2.9 billion. There were approximately 700 active mines and quarries in the State for calendar year 2011. Combined production from these mines totaled approximately \$2.9 billion worth of non-fuel minerals in that same year (Figure 4), similar to that during the preceding year. Approximately 5,300 people were employed at these mines and their processing facilities.

The only metals produced were gold and silver, and iron which is used in Portland cement. California ranked 6th in gold production out of eleven States that reported for the year. Other minerals produced commercially include common clay, bentonite clay (including hectorite), crushed stone, dimension stone, feldspar, fuller's earth, gemstones, gypsum, iron ore (used in cement manufacture), kaolin clay, lime, magnesium compounds, perlite, pumice, pumicite, salt, soda ash, and zeolites.

Boron was California's leading mineral commodity in terms of dollar value in 2011. Because there are only two producers of boron minerals in the state, specific production values are withheld to protect proprietary company information and the value of boron production is included in the "other" category in the table and chart. However, the value of boron production is

greater than the value of the second ranked construction sand and gravel at \$591 million for 87 million tons produced.

Construction grade sand and gravel continued to be California's leading industrial mineral, with an estimated total value of \$809 million for 82 million tons produced. California's second largest mineral commodity was Portland cement valued at \$587 million for 8.3 million tons produced, slightly up from \$546 million for 7.2 million tons produced during the preceding year. Crushed stone ranked fourth in the state with a value of \$295 million for 34 million tons produced, down from \$480 million.

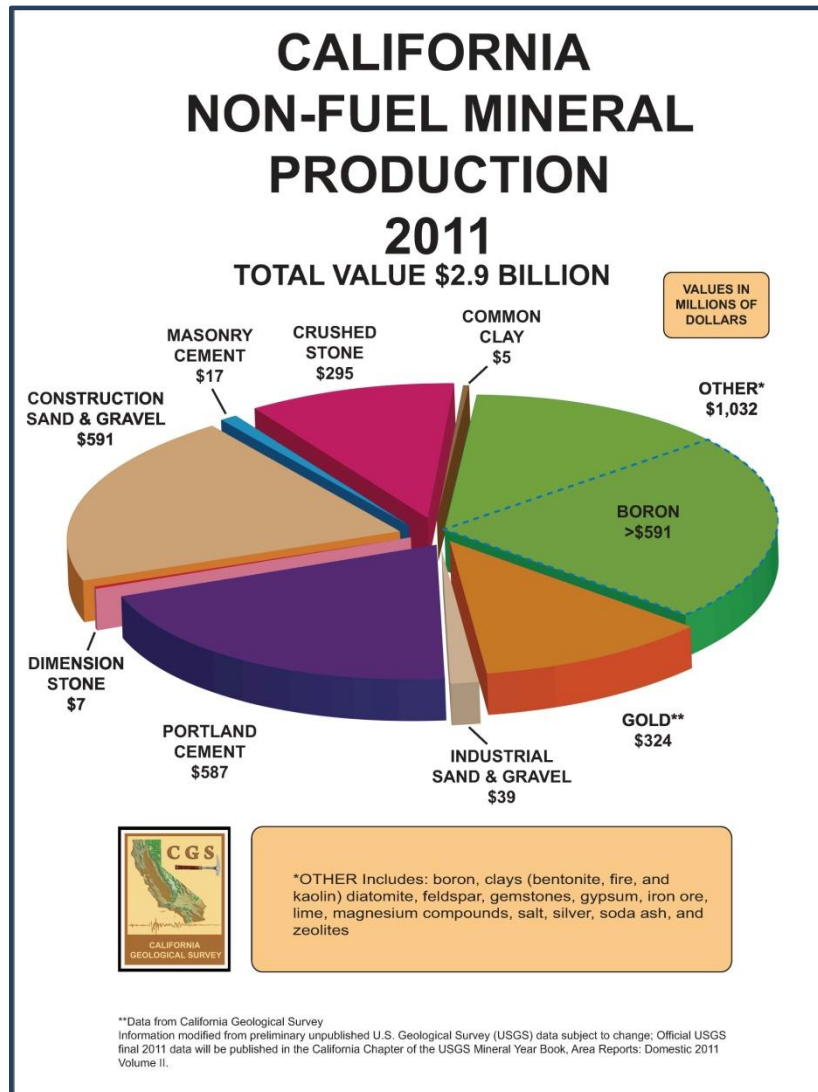


Figure 4. California non-fuel mineral production for 2011.

PROTECTION OF MINERAL LANDS

As California's population continues to grow, its communities face increasingly difficult and complex land use decisions. The production of mineral resources -- so necessary to support an ever expanding population -- must compete with other land uses such as agriculture, timber production, urban development, renewable energy, and recreational, sensitive ecological or scenic areas. The rapid growth of many communities and the incompatibility of mining with

most other land uses sometimes results in heated conflicts within those communities. Often, the mineral resource is needed by the very use which threatens it. For example, construction grade aggregate deposits, which are the sources for the construction and repair of roads, houses, and commercial buildings, often are built over before the resource can be extracted.

The objectives of these processes are to provide local agency decision makers with information on the location, need, and importance of mineral resources within their jurisdiction, and to require that this information be considered in local land use planning decisions. These objectives are met through the adoption of local Mineral Resource Management Policies (MRMP) that provide for the conservation and prudent development of these mineral deposits.

In 2012, CGS updated its report titled “*Aggregate Sustainability in California – Map Sheet 52 (Updated 2012)*.” This report and accompanying map was previously published in 2002 (Kohler, 2002) and updated in 2006, and titled *Aggregate Availability in California – Map 52*. The map and accompanying text provides general information about the current availability and sustainability of California's permitted aggregate resources, and summarizes data from reports compiled by CGS for 31 aggregate study areas throughout the State. These study areas cover about 30 percent of the State and provide aggregate for about 85 percent of California's population. This report is divided into three parts: Part I provides data sources and methods used to derive the information presented, Part II compares the updated 2012 Map Sheet 52 to the previous 2006 map, and Part III is an overview of construction aggregate. The map compares projected aggregate demand for the next 50 years with currently permitted aggregate resources in 31 regions of the State. The map also shows areas where less than 10 years of permitted reserves remain in the study area.

Construction aggregate is essential to the needs of modern society, providing material for the construction and maintenance of roadways, dams, canals, buildings and other parts of California's infrastructure. Aggregate is also found in homes, schools, hospitals, shopping centers and renewable energy projects. It is estimated that from 1981 to 2010, California consumed about 180 million tons of construction aggregate or per year. Because transporting aggregate is a significant part of the total cost to the consumer, aggregate mines generally are located close to communities that consume the aggregate.

The following conclusions were offered:

- The 31 study areas currently have 4 billion tons of permitted reserves, which is about one third of the total projected 50-year aggregate demand identified for those study areas, or about 5.5 percent of the total aggregate resources, located within the 31 study areas.
- Total aggregate resources identified within the 31 study areas that are currently permitted covers about 85 percent of the state's population.
- California currently has about 4 billion tons of permitted resources identified in the 31 study areas as shown on Map Sheet 52.
- In the next 50 years, California within the 31 study areas will need approximately 12 billion tons of aggregate. This figure does not account for accelerated construction programs as a result of major bond initiatives, or from reconstruction following a major, damaging earthquake.

- Thirteen of the updated aggregate study areas are projected to have between 11 and 20 years of aggregate reserves remaining.
- Eight of the updated aggregate study areas are projected to have between 21 and 30 years of aggregate reserves remaining.
- Three of the updated aggregate study areas are projected to have between 31 and 40 years of aggregate reserves remaining.
- Two of the updated aggregate study areas are projected to have between 41 and 50 years of aggregate reserves remaining.
- One of the updated aggregate study areas (Placer County) have more than 50 years of aggregate reserves remaining.

The information presented on Map Sheet 52 and in the referenced reports was provided to assist land use planners and decision makers in identifying those areas containing construction aggregate resources, and to identify potential future demand for these resources in different regions of the State. This information is intended to help planners and decision makers balance the need for construction aggregate with the many other competing land use issues in their jurisdictions, and to provide for adequate supplies of construction aggregate to meet future needs. This map is in the process of being updated.

One of the first mineral commodities selected by the SMGB for classification by the State Geologist was construction grade aggregates, such as sand, gravel, and crushed rock. The importance of construction aggregate is often overlooked, even though it is an essential commodity in today's society. Aggregate is a key component in products such as Portland cement concrete, asphaltic concrete (macadam), railroad ballast, stucco, road base, and fill materials.

California's construction industry is greatly dependent on readily available aggregate deposits that are within a reasonable distance to market regions. Aggregate is a low unit-value, high bulk-weight commodity; therefore, aggregate for construction must be obtained from nearby sources in order to minimize costs to the consumer. If nearby aggregate sources do not exist, then transportation costs quickly can exceed the value of the aggregate. Transportation cost is one of the most important factors considered when defining the market area for an aggregate mine operation.

In an effort to address this issue, SMARA provides for a method by which mineral lands may be "Classified" by the State Geologist, and "Designated" by the SMGB. These Classification and Designation processes are methods by which an inventory of the State's most valuable mineral deposits can be compiled and made available to local communities for inclusion in their land use decision making. The SMGB's statutory authority to incorporate mineral lands classification information into State policy is provided pursuant to Division 2, Chapter 9, Article 4, State Policy for the Reclamation of Mined Lands, PRC Section 2761(a), which states:

"On or before January 1, 1977, and, as a minimum, after the completion of each decennial census, the Office of Planning and Research shall identify portions of the following areas within the state which are urbanized or are subject to urban expansion or other irreversible land uses which would preclude mineral extraction:

(1) Standard metropolitan statistical areas and such other areas for which information is readily available.

(2) *Other areas as may be requested by the board.*

(b) *In accordance with a time schedule, and based upon guidelines adopted by the board, the State Geologist shall classify, on the basis solely of geologic factors, and without regard to existing land use and land ownership, the areas identified by the Office of Planning and Research, any area for which classification has been requested by a petition which has been accepted by the board, or any other areas as may be specified by the board, as one of the following:*

(1) *Areas containing little or no mineral deposits.*

(2) *Areas containing significant mineral deposits.*

(3) *Areas containing mineral deposits, the significance of which requires further evaluation.*

The State Geologist shall require the petitioner to pay the reasonable costs of classifying an area for which classification has been requested by the petitioner.

(c) *The State Geologist shall transmit the information to the board for incorporation into the state policy and for transmittal to lead agencies."*

The SMGB's statutory authority to consider areas for designation is provided pursuant to Division 2, Chapter 9, Article 6, Areas of Statewide or Regional Significance, PRC 2790, which states:

"After receipt of mineral information from the State Geologist pursuant to subdivision (c) of Section 2761, the board may by regulation adopted after a public hearing designate specific geographical areas of the state as areas of statewide or regional significance and specify the boundaries thereof. Such designation shall be included as a part of the State policy and shall indicate the reason for which the particular area designated is of significance to the State or region, the adverse effects that might result from premature development of incompatible land uses, the advantages that might be achieved from extraction of the minerals of the area, and the specific goals and policies to protect against the premature incompatible development of the area."

The statutory authority which allows the SMGB to terminate, in whole or in part, an area previously designated is provided pursuant to PRC Section 2793 which states:

"The board may, by regulation adopted after a public hearing, terminate, partially or wholly, the designation of any area of statewide or regional significance on a finding that the direct involvement of the board is no longer required."

Aggregate Availability and Sustainability

To further understand and address the needs of the State in regards to aggregate availability, an Aggregate Availability Group (AAG) was established in 2009. The group included representatives of the California Department of Conservation, Bureau of Land Management, California Office of Planning and Research, California Department of Transportation, California Construction and Industrial Materials Association, California Geological Survey, Office of Mine Reclamation and SMGB. Since adoption of the Charter in 2011, efforts have commenced to update and develop new aggregate availability map concepts that reflect current economic, social and environmental factors, and which provide a valuable tool and resource for all stakeholders concerned about aggregate availability.

Aggregate is a low unit-value, high bulk weight commodity. Thus, it must be obtained from nearby sources to minimize economic and environmental costs associated with transportation. If

these nearby sources do not exist, then transportation costs can quickly exceed the value of the aggregate. In addition, transporting aggregate from distant sources results not only in increased construction costs and fuel consumption, but an increase in greenhouse gas emissions, air pollution, traffic congestion, and road maintenance.

CGS notes that from 1981 to 2010, California consumed an average of about 180 million tons of construction aggregate (all grades) per year. Assuming an average of 25-ton truckloads equates to over 7.2 million truck trips per year. For example, an average 25 mile haul (50 mile round trip) amounts to more than 360 million truck miles traveled, almost 47 million gallons of diesel fuel used, and more than 520,000 tons of carbon dioxide emissions produced annually. Doubling of the haul distance to 50 miles (100 mile round trip) equates to 721 million truck miles traveled, almost 94 million gallons of diesel fuel used, and over 1 million tons of carbon dioxide emissions produced.

In California, land-use planners and decision makers are faced with balancing a wide variety of needs. Increasingly, as existing permitted aggregate supplies are depleted, local land-use decisions regarding aggregate resources can have regional impacts that go beyond local jurisdictional boundaries. Primary factors include universal need, increasing demand, the economic and environmental costs of transportation, and multiple land-use pressures. These factors make information about the availability and demand for aggregate, valuable to land-use planners and decision makers charged with planning for a sustainable future for California's citizens.

Throughout California, aggregate haul distances have been gradually increasing as more local sources of aggregate diminish. Consequently, older Production-Consumption (P-C) regions, most of which were established in the late 1970s, have undergone considerable changes since their boundaries were drawn. This is especially evident in Los Angeles, Orange, and Ventura counties where aggregate shortages have led to the merging of six P-C regions shown on the original (2002) map into three regions for the updated maps. This Increase in aggregate haul distances not only increase the cost of aggregate to the consumer, but also increase environmental and societal impacts such as increased fuel consumption, carbon dioxide emissions, air pollution, traffic congestion and road maintenance.

The resultant conceptual Aggregate Transport and Sustainability Maps being developed by CGS and the SMGB aim to address these factors and needs. These conceptual maps will illustrate some of possible types of information and graphical presentation that might be used in a series (7-10) of regional aggregate resource sustainability maps covering the state. Each such map would incorporate multiple smaller Production-Consumption (P-C) Regions based on previous mineral land classification studies.

Combining multiple P-C Regions into "Super Regions" should allow better estimates of future regional aggregate demand and a better analysis of production and consumption patterns within the "Super Region". The maps show, in a simplified manor, the distance from current aggregate sources (or potential source areas) to points of consumption and can be used to illustrate the relationship between distance and aggregate costs (both economic and environmental). In addition to the added dollar cost of aggregate to the consumer, transportation of aggregate over longer distances results in increased fuel consumption, air pollution, greenhouse gas emissions, traffic congestion, and road maintenance. Also shown will be the relationship between the projected 50-year aggregate demand, reserves (permitted resources), and resources for each P-C Region (within the larger super region) to emphasize the region's future aggregate needs, current supplies, and potential future sources; and the estimated annual CO₂ emissions from aggregate transport in each P-C Region related to haul distance.

The passage in 2006 of AB 32 (Nunez) required the California State Air Resources Board to adopt regulations to require reporting and verification of statewide greenhouse gas emissions and to monitor and enforce compliance with this program, would require the state board to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions levels in 1990 to be achieved by 2020, among other requirements. The reduction of emissions of greenhouse gases is anticipated to have far-reaching effects beyond the local jurisdictions. The passage in 2008 of SB 375 (Steinberg and Ducheny) created regional targets for greenhouse gas emissions reductions tied to land use in California and requires that regional planning agencies create plans to meet those targets. Ensuring local sources of construction aggregate to minimize haul distances may be one component of meeting those reduction targets while also reducing the cost of local projects, traffic congestion and other undesirable environmental impacts. The proposed maps and reports would assist regional planning agencies and decision makers in planning for sustainable future supplies of aggregate resources within the framework of required greenhouse gas reductions.

Presenting relevant information on an appropriate regional basis will highlight the potential impacts (economic, environmental, and societal) that land use decisions related to aggregate mining in one jurisdiction may have on neighboring jurisdictions and the larger region, and provide a tool to allow local jurisdictions to understand the regional and statewide nature of aggregate supply.

Mining Ordinances

SMARA requires each lead agency (City, County, or City and County) to have a surface mining and reclamation mining ordinance that is in accordance with statute. To ensure ordinances are in compliance with SMARA and the SMGB's regulations, the SMGB has authority to review and certify these local ordinances meet SMARA requirements. Based on a review of the State's mineral resource management program (SMGB Information Report 2007-03), it was concluded that the Mining Ordinance review and certification program was working well, with an effective compliance rate of 100 percent.

SMARA requires that lead agencies periodically revise their respective mining ordinances to keep them in accordance with legislative changes. The SMGB is required to re-certify these ordinances before they become effective. From January 2000 through June 2013, the SMGB reviewed and re-certified updated SMARA ordinances for 13 cities and nine counties as summarized in Table 6. At its December 12, 2012, regular business meeting, the SMGB certified the County of Riverside's Surface Mining and Reclamation Ordinance No. 555.19, as Amended by Surface Mining and Reclamation Ordinance No. 711-C.S., as being in accordance with the SMARA (PRC Section 2710 et seq.).

Table 6
SMGB Certified Surface Mining and Reclamation Ordinances
July 2000 - June 2013

SMARA Lead Agency	City Or County	Latest Cert. Date	SMGB Certification Date	SMGB Resolution Number	Ordinance Number
Colusa	County	2003	9/11/2003	Resolution 2003-04	Ordinance No. 659
Contra Costa	County	2000	7/13/2000	Resolution 2000-08	Ordinance No. 2000-18
Glenn	County	2005	5/12/2005	Resolution 2005-05	Ordinance Nos. 1083 and 1171
Hayward	City	2004	11/15/2004	Resolution 2004-09	Ordinance No. 04-12
Lake	County	2000	7/13/2000	Resolution 2000-07	Ordinance No. 2533
Los Angeles	City	2000	7/13/2000	Resolution 2000-06	Ordinance No. 173106
Madera	County	2006	12/14/2006	Resolution 2006-10	Ordinance No. 525G
Mammoth Lakes	City	2001	5/10/2001	Resolution 2001-05	Ordinance No. 01-02
Modoc	County	2000	1/14/2000	Resolution 99-48	Ordinance No. 236-85
Oakland	City	2003	6/19/2003	Resolution 2003-02	Ordinance No. 12496
Oxnard	City	2001	10/11/2001	Resolution 2001-06	Ordinance No. 2579
Pacifica	City	2006	5/12/2006	Resolution 2006-03	Ordinance Nos. 670-C.S. and 711-C.S.
Poway	City	2004	11/15/2004	Resolution 2004-11	Ordinance No. 609
Rancho Cordova	City	2004	7/23/2004	Resolution 2004-06	Ordinance No. 22-2004
Riverside	County	1994	12/13/2012	Resolution 2012-05	Ordinance No. 555.19
San Bernardino	City	2000	12/14/2000	Resolution 2000-14	Ordinance No. MC-1084
San Diego	City	2000	7/13/2000	Resolution 2000-05	Ordinance No. 18802
San Jacinto	City	2004	12/9/2004	Resolution 2004-12	Ordinance No. 04-08
Santa Clara	County	2000	12/14/2000	Resolution 2000-13	Ordinance No. 1200.299
Tracy	City	2000	11/9/2000	Resolution 2000-12	Articles 37 and 38 of the City Code
Truckee	City	2001	1/11/2001	Resolution 2001-01	Ordinance No. 2000-04
Yolo	County	2001	12/13/2001	Resolution 2001-08	Ordinance No. 1276

Mineral Resource Management Policies (MRMP)

SMARA lead agencies are required to incorporate Mineral Resource Management Policies (MRMP) into their General Plans upon revision of their plans. Thirty-six lead agencies have mineral classified or mineral designated lands within their jurisdictions. Although MRMP's are required to be sent to the SMGB for review prior to their incorporation into local General Plans, most lead agencies seem not to have done so. Also, because MRMP information may be placed in more than one section or element in a General Plan, it can be difficult to find the MRMP if it is not clearly identified. A summary of MRMPs recognized by the SMGB from July 2000 to June 2012 is presented in Table 7.

The purpose and intent of the MRMP are to ensure the continued availability of important mineral resources, while regulating surface mining operations as required by SMARA, and the

SMGB's regulations. As noted above, based on a review of the State's mineral resource management program (SMGB Information Report 2007-03), it was concluded that the MRMP review and recognition program is not working well and the compliance rate may be as low as 4 percent to 19 percent. Although several MRMP were reviewed and commented on during the 2012-2013 reporting period, none were finalized and subsequently considered for certification by the SMGB during this reporting period.

Table 7
Summary of SMGB Recognized MRMP
July 2000 - June 2013

Lead Agency	MRMP Submittal Date	Recognition Date	SMGB Resolution Number	MRMP Document
City				
Claremont	8/2/2003	12/14/2006	2006-10	General Plan, Mineral Resources
Goleta	5/31/2006	9/14/2006	2006-07	
Irwindale	5/2008	12/1/2008	2008-08	2020 General Plan, Section 5, Resource Management Element
Santa Clarita	7/19/2006	Not recognized		
Truckee	5/16/2006	9/14/2006	2006-08	
County				
El Dorado	1/24/1995; 4/9/2003	Not recognized		County General Plan, Volume I – Goals, Objectives and Policies, December 1993; 1996 general Plan Alternatives – Conservation and Open Space Element, 1996.
Marin	8/11/2004	10/14/2004		2.6 Natural Systems Element
Mendocino	8/17/2009	11/12/2009		Chapter 4: Resources Management Element, Mineral Resources Policies (pages 4-44 and 4-45 of the Updated General Plan).
Merced	11/8/2001	2/14/2002		
Nevada	2/26/2003	5/23/2003		Nevada County General Plan Final Draft, September 1995, Chapter 17: Mineral Management
Sacramento	5/2008	9/11/2008	2008-05	General Plan Conservation Element, Section II, Mineral Resources, and Section IV, Soil Resources
Tuolumne	7/2010			County of Tuolumne General Plan Amendment GPA09-004 Mineral Resources Section; commented in SMGB correspondence dated July 1, 2010.

Classification Petitions

During the 2012-2013 reporting period, no new mineral classification petition for construction aggregate was considered. For a mineral deposit to be considered significant, and thus eligible for MRZ-2 classification, the deposit must meet criteria established by the SMGB for material quality, marketability, and economic value. The category of MRZ-2 is defined as areas where adequate information indicates that significant mineral resources are present, or where it is judged that a high likelihood for their presence exists. Land included in MRZ-2 is of prime importance because it contains known economic mineral deposits. Significance of the deposit is determined by evaluating the quality of the deposit, its suitability as a marketable commodity, and by calculating the volume, tonnage and value of available aggregate resources contained within the property. Following completion of the classification study, CGS concluded that:

- Aggregate tests results provided by the petitioner and analyzed by CGS staff indicate that the material present on the subject site meets the specifications for a variety of construction aggregate uses up to and including PCC-grade aggregate;
- Aggregate resources exceed the minimum economic threshold value of \$17.3 million (2010 dollars) as established by the SMGB; and
- Both the northern 315-acre and southern 121-acre parcels have been reclassified MRZ-2 for construction aggregate.

Those petitions accepted since July 2000, are summarized in Table 8.

Classification

Classification is the method by which the State Geologist, in accordance with a time schedule and based upon guidelines adopted by the SMGB, geologically evaluates the State's lands and categorizes those lands as: (1) having little or no mineral deposits; (2) areas containing significant mineral deposits; and, (3) areas containing mineral deposits, the significance of which requires further evaluation. These determinations by the State Geologist are made based solely on geologic factors, and without regard to existing land use or land ownership. Mineral Classification information is transmitted to the SMGB by the State Geologist, and then is provided to locally affected jurisdictions (cities and counties) by the SMGB.

In some regions, large portions of the areas classified as having significant mineral deposits are already committed to other various urban uses, which prohibit access to the underlying resources. As an additional aid to local planning agencies, classification reports prepared for metropolitan areas also highlight non-urbanized portions of the classified mineral lands as Aggregate Resource Areas (ARA). These non-urbanized ARA's contain mineral deposits that remain potentially available for future use, and facilitate estimating the volume of aggregate material that is practically available in the region. ARA's may be considered for Designation by the SMGB. Nineteen classification reports were completed between July 2000 and June 2013 (Table 9).

Table 8
Mineral Lands Classification Petitions
Received from July 2000 through June 2013

Geographical Area	Date	Petition Request
Alameda County	9/22/2005	Acceptance of a Petition for designation of three parcels of land totaling 212 acres being classified as MRZ-2 (areas containing significant measured or inferred aggregate resources) in the city of Pleasanton, Alameda County, for Rhodes and Jamieson LLC.
San Diego County	9/22/2005	Acceptance of a Petition for re-classification of six irregularly shaped parcels totaling 210.9 acres as MRZ-2a for construction aggregates in the County of San Diego for National Quarries
San Diego County	11/10/2005	Acceptance of a Petition for Mineral Land Classification for the Proposed Otay Hills Quarry site, Superior Ready Mix Concrete, L.P.'s Otay Hills Property, San Diego, California.
Riverside County	12/11/2008	Acceptance of a Petition for Re-Classification of Mineral Resource Zone (MRZ) Lands from MRZ-3a to MRZ-2a, Day Street Project, Riverside County.
Sacramento County	4/9/2009	Acceptance of a Petition for Re-Classification of Mineral Resource Zone (MRZ) Lands from MRZ-3 to MRZ-2, White Rock Road Properties, Mangini Property, Sacramento County.
Riverside County	9/11/2009	Acceptance of California Geological Survey's Report 212/Revised Mineral Land Classification, First Industrial Realty Trust Day Street Project, Riverside County, for Portland Cement Concrete-Grade Aggregate
Sacramento County	3/11/2010	Acceptance of a Petition for Classification of Mineral Lands, Wilson Ranch-Walltown Quarry Project, Sacramento County, California.
Butte County	12/9/2010	Acceptance of California Geological Survey's Special Report 218 on Mineral Lands Classification of the Power House Aggregate Project Site, Butte County, California, for Construction Aggregate
Stanislaus County	9/08/2011	Acceptance of California Geological Survey Special Report 223 for Mineral Land Classification for the Proposed Riddle Surface Mine Property, Stanislaus County, California.

No new classification report was completed and subsequently accepted by the SMGB during the 2012-2013 reporting period.

Table 9
Summary of Classification Reports
Accepted by the SMGB since 2000

Geographical Area	CGS Report No.	Title	Classified Acres	Date Accepted by SMGB
El Dorado County	OFR 2000-03	Mineral Land Classification of El Dorado County, 2000.	1,144,320	Uncertain
Butte County	OFR 2000-04	Mineral Land Classification of the KRC Holdings, Inc. M&T Chico Ranch Site, Butte County, California, for Construction Aggregate Resources, 2000.	627	06/15/2000
Tehama County	OFR 2000-18	Mineral Land Classification of Concrete-Grade Aggregate Resources in Tehama County, California, 2000.	1,891,000	Uncertain
Sonoma County	SR 175	Mineral Land Classification of Aggregate Materials in Sonoma County, California, 2005.	1,025,000	03/10/2005
Lassen County	SR 177	Mineral Land Classification of the Long Valley Pozzolan Deposits, Lassen County, California, 2003.	5,514.9	Uncertain
Monterey County	SR 180	Mineral Land Classification of Granite Construction Inc.'s Handley Ranch Site, Monterey County, California, 2005.	224	06/19/2003
San Diego County	SR 191	Mineral Land Classification of National Quarries' Twin Oaks Valley Road Site, San Marcos, San Diego County, California – for Construction Aggregate Resources, 2006.	160	09/14/2006
Riverside County	SR 198	Update of Mineral Land Classification for Portland Cement Concrete-Grade Aggregate in the Palm Springs Production-Consumption Region, Riverside County, California, 2007.	404,000	12/13/2007
Riverside County	SR 200	Mineral Land Classification of the Granite Construction Company Liberty Quarry Site, Temecula, Riverside County, California – for Portland Cement Concrete-Grade Aggregate, 2007.	290	06/14/2007
Los Angeles and San Bernardino Counties	SR 202	Update of Mineral Land Classification for Portland Cement Concrete-Grade Aggregate in the Claremont-Upland Production-Consumption Region, Los Angeles and San Bernardino Counties, California, 2007.	149,200	12/13/2007

Table 9 (Continued)
Summary of Classification Reports
Accepted by the SMGB since 2000

Geographical Area	CGS Report No.	Title	Classified Acres	Date Accepted by SMGB
San Bernardino and Riverside Counties	SR 206	Update of Mineral Land Classification for Portland Cement Concrete-Grade Aggregate in the San Bernardino Production-Consumption Region, San Bernardino and Riverside Counties, California, 2008.	693,900	12/11/2008
Los Angeles County	SR 209	Update of Mineral Land Classification for Portland Cement Concrete-Grade Aggregate in the San Gabriel Valley Production-Consumption Region	281	09/09/2010
Kern County	SR 210	Update of Mineral Land Classification: Aggregate Materials in the Bakersfield Production-Consumption Region, Kern County, California, 2009.	1,150,456	10/08/2009
Riverside County	SR 212	Mineral Land Classification of the First Industrial Realty Trust Day Street Site, Riverside County, California – for Portland Concrete-Grade Aggregate, 2009.	500*	04/09/2009
Riverside County	SR 212 (Revised)	Revised Mineral Land Classification of the First Industrial Realty Trust Day Street Site, Riverside County, California – for Portland Concrete-Grade Aggregate, 2009.	80*	09/11/2009
Sacramento County	SR 213	Mineral Land Classification of the White Rock Road Properties, Mangini Property, Sacramento County – for Construction Aggregate, 2009.	586	04/09/2009
Sacramento County	SR 214	Mineral Land Classification of the Wilson Ranch – Walltown Quarry Project, Sacramento County, California – for Construction Aggregate, 2010	414	03/11/2010
San Luis Obispo County-Santa Barbara County	SR 215	Update of Mineral Land Classification: Concrete Aggregate in the San Luis Obispo-Santa Barbara Production-Consumption Region, California	2,991	12/08/2011
Butte County	SR 218	Mineral Lands Classification of the Power House Aggregate Project Site, Butte County, California, for Construction Aggregate.	460	12/09/2010

*According to CGS SR 212 (Revised), the total for these two areas is 597 acres.

Designation

Designation is the process by which the SMGB, based on analyses by the State Geologist and the CGS, information gathered from local communities, the mining industry, and other government agencies such as the Governor's Office of Planning and Research, determines that a particular mineral classified deposit is of regional (multi-community) or statewide economic significance. In contrast to Classification, which inventories mineral deposits without regard to existing land use, the purpose of Designation is to identify those areas that are of prime importance in meeting the future needs of the study region and that remain available from a land use perspective.

Designation is the State's effort to conserve mineral resources in regions of expected rapid urbanization or other land uses that might prevent surface mining activities, and therefore result in a loss of the mineral resource to the community. To avoid dictating to local communities where future aggregate mines should be located, mineral designated areas generally contain resources (un-permitted deposits) that are far in excess of the region's 50-year demand. This attempts to provide maximum flexibility to local governments in making land use decisions, while still conserving an adequate amount of construction aggregate for the future.

Prior to 1991, the SMGB designated 15 areas within the State, encompassing about 259,585 acres, as having regionally significant economic mineral resources. Designation ceased when the costs of complying with the requirements of the California Environmental Quality Act (CEQA) became prohibitive, and agency budgets were being reduced because of the "California economic recession" of the early 1990's. Since that time, no additional areas have received mineral Designation status from the SMGB until November 2011 with the publication of SMGB Designation Report No. 11 titled "*Designation of Regionally Significant Construction Aggregate Resources in the Bakersfield Production-Consumption Region*" dated November 2011.

At its September 13, 2012, regular business meeting, the SMGB accepted the recommendations of the State Geologist for Designation of Mineral Lands for Portland Cement Concrete-Grade Aggregate in the Stockton-Lodi Production-Consumption Region, San Joaquin and Stanislaus Counties, California.

At its December 13, 2012, regular business meeting, the SMGB adopted regulatory Language for Designation and Termination of Designation of Mineral Resources Areas of Statewide Significance for the San Gabriel Production-Consumption Region, Los Angeles County, and for Designation and Termination of Designation of Mineral Resources Areas of Statewide or Regional Significance for the Palm Springs Production-Consumption Region, County of Riverside, California. At its February 13, 2013, regular business meeting, the SMGB adopted regulatory Language for Designation and Termination of Designation of Mineral Lands within the San Bernardino Production-Consumption Region, San Bernardino and Riverside Counties.

STATE MINING AND GEOLOGY BOARD'S AUTHORITY UNDER SMARA

Under SMARA, the SMGB has authority to act on the following items:

- Review and certify lead agency surface mining ordinances;
- Review certain orders of the DOC Director before they become effective;

- Assume local lead agency authority for administering and enforcing SMARA under specified circumstances;
- Adjudicate appeals from individuals and mine operators for specific lead agency actions;
- Adjudicate appeals of Administrative Penalties issued by the Director;
- Exempt from the requirements of SMARA specific surface mining operations; and
- Make regulations implementing the statutes.

SMARA Lead Agencies

California is the only State in the conterminous United States where surface mine reclamation is not regulated primarily at the State level. Most states also maintain permitting authority when it comes to mining regulation; whereas, in California permitting authority is decided at the local level. SMARA, pursuant to PRC Section 2728, defines a lead agency as a city, county, San Francisco Bay Conservation and Development Commission (BCDC), or the SMGB which has the principal responsibility for approving a surface mining operation or reclamation plan. Under SMARA, there are currently 113 lead agencies: 51 counties, 62 cities. The SMGB also serves in the capacity of administering SMARA as a lead agency.

There are 51 counties and 62 cities that serve as lead agencies under SMARA. As a lead agency, the SMGB has assumed SMARA authority from three counties (El Dorado County, Yuba County and Alpine County), 10 cities that have not adopted mining ordinances, and 9 BCDC sites.

Specific duties of lead agencies which are charged with the primary administration and enforcement of SMARA are to:

- Review and approve reclamation plans that meet the minimum requirements established by SMARA and the SMGB's reclamation performance standards (regulations) for surface mines;
- Approve financial assurances, subject to review annually, that are sufficient to pay for the costs of full reclamation of the lands disturbed by surface mining operations according to the requirements of the approved reclamation plan;
- Approve local permits for mining operations;
- Conduct an annual inspection of each surface mine to confirm that the operation is in compliance with the requirements of SMARA, and to remedy the situation if the operation is not in compliance;
- Issue Administrative Penalties to operators who do not come into compliance;
- Close operations that do not attain compliance;
- Maintain a surface mining ordinance that is in accordance with SMARA;

- Incorporate Mineral Resource Management Policies (MRMP) into their General Plans if there are mineral “classified” or mineral “designated” lands within the lead agency’s jurisdiction.

Some SMARA lead agencies are diligent in their reviews and approvals of reclamation plans and financial assurances in accordance with SMARA and the SMGB’s regulations; whereas others, for a variety of reasons, are less able to perform adequate reviews of reclamation plans and rely extensively on OMR’s technical review comments. Lead agencies must review financial assurances annually and require adjustments to the financial assurance amounts to cover any changes to the costs of reclamation. This financial assurance review should be accomplished during the mandatory annual inspection process. Following the field inspection, the lead agency shall require a recalculation of the required financial assurance amount to adjust for changes in the amount of newly disturbed land and anticipated disturbed lands over the next year, reclaimed land, and economic inflation.

As noted above, since 2002, the SMGB has exercised its assumption of lead agency authority for the counties, several cities without certified mining ordinances, and all marine dredging operations within the jurisdiction of the Bay Conservation and Development Commission (BCDC). In September 2006 the SMGB performed a review of overall SMARA lead agency performance using the DOC SMARA database (SMGB Information Report 2007-01). This evaluation assessed the lead agency’s performance of periodic mine inspections, adjustment of annual financial assurances and enforcement of the preparation of Interim Management Plans (IMP) should a surface mine site be characterized as idle for a period exceeding one year. Based on this review, the overall performance of SMARA lead agencies throughout California varies significantly. For the most part, overall performance was deemed poor, reflecting a number of factors, including primarily financial constraints, and limited or absent technical expertise. As a result, 2007, the Department of Conservation, Office of Mine Reclamation (OMR) established the Lead Agency Review Team (LART).

During the 2012-2013 reporting period, LART completed its Lead Agency Review Report reported on the Cities of Bakersfield, Fremont, Pacifica, Taft and Tracy, and the counties of Del Norte, Madera, Marin, Mendocino, Mono, Monterey, San Mateo and Yolo. The SMGB upon receiving the LART report directed the Executive Officer to prepare a 45-Day Notice to Correct Deficiencies to the cities of Bakersfield Pacifica and Taft, and the counties of Del Norte, Madera, Marin, Mendocino, Mono, and San Mateo, during the 2012-2013 annual reporting period.

Enforcement Actions

Order to Comply Appeals

When the Director of the DOC issues an Order to Comply to a surface mine operator to bring its operations into compliance with the State mining law, SMARA provides that the Order does not become effective until it has been heard by the SMGB in public session. This constitutes an automatic appeal to the SMGB. No Order to Comply appeals were received by the SMGB during the 2012-2013 annual reporting period.

Administrative Penalties Appeals

No administrative penalties appeals were received by the SMGB during the 2012-2013 annual reporting period. A summary of such hearings is presented in Table 10.

Table 10
Summary of Administrative Penalties Appeals from 2000-2013

Administrative Penalty Public Hearing	SMGB Public Hearing Date
2000	Archer Agricultural Gypsum, CA Mine ID #91-16-0004 Pires Farms, CA Mine ID #91-16-7004
2001	Weber Creek Quarry, CA Mine ID # 91-09-0002 Diamond Quarry, CA Mine ID #91-09-0003
2002	Snows Road Quarry, CA Mine ID #91-09-0012 Eureka Slate Quarry, CA Mine ID #91-09-0007 Diamond Quarry, CA Mine ID #91-09-0003
2003	Snows Road Quarry, CA Mine ID #91-09-0012
2004	Snows Road Quarry, CA Mine ID #91-09-0012 Wheatland Clay Pit, CA Mine ID #91-58-0004 Blue Point Mine, CA Mine ID #91-58-0021 Cassill Placer Mine, CA Mine ID #91-09-0011 Eureka Slate Mine, CA Mine ID #91-09-0007 Garden Valley Aggregates, CA Mine ID #91-09-0013 Point Richmond, CA Mine ID #91-07-0006
2005	Red Ink Maid Mine, CA Mine ID #91-31-0020 Pacifica Quarry, CA Mine ID #91-07-0007
2006	Red Ink Maid Mine, CA Mine ID #91-31-0020 Pacifica Quarry, CA Mine ID #91-07-0007 Dantoni Pit, CA Mine ID #91-58-0011 Richmond (Chevron) Quarry, CA Mine ID #91-07-0006 Sperbeck Quarry, CA Mine ID #91-58-0004
2007	Sperbeck Quarry, CA Mine ID #91-58-0004 Red Ink Maid Mine, CA Mine ID #91-31-0020 Arvin Soil Borrow Pit, CA Mine ID #91-15-0099 Dolomite Quarry, CA Mine ID #91-35-0013 Arroyo Del Osos Beach, CA Mine ID #91-40-0043 Dantoni Pit, CA Mine ID #91-58-0011
2008	River Ranch Aggregates, CA Mine ID #91-32-0001
2011	Big Cut Mine, CA Mine ID #91-09-00XX South Arkansas Creek, CA Mine ID #91-03-0029 Sand Canyon Pit, CA Mine ID #91-15-0095 Pozzolan Hill Pit, CA Mine ID #91-18-0047 McKenzie Mine, CA Mine ID #91-23-0033 CBS Aggregates, CA Mine ID #91-32-0033 Shamrock S&G, CA Mine ID #91-33-0042 K-1 Pit, CA Mine ID #91-36-0074 Lor O, CA Mine ID #91-47-0053 Blue Point Mine, CA Mine ID #91-58-0023 Blue Point Clark Mine, CA Mine ID #91-58-0015

SMARA Exemptions

It is recognized that not all surface mining operations are an efficient “fit” under SMARA, and that many projects of limited size, duration, economic and environmental impact would be prevented, delayed, or rendered uneconomic if the requirements of SMARA were fully applied.

The SMGB may exempt from the requirements of SMARA surface mining operations that are of short duration and cause limited surface disturbance (PRC Section 2714(f)). During the 2010-2011 reporting period, two exemption requests were considered by the SMGB. Between July 1999 and June 2012, the SMGB heard twenty-seven (27) such exemption requests, with five being heard during the 2011-2012 period. A summary of these exemption requests is provided in Table 12.

The Executive Officer can deny a one-time exemption request if, upon review, the request does not comply with the criteria set forth in PRC Section 2714(f). However, this matter can also be placed before the SMGB should 1) a request be made by one SMGB member; 2) the Executive Officer cannot come to a clear consensus; or 3) if controversy arises surrounding the request.

In cases when a request comes before the SMGB, the SMGB can grant a one-time exemption on a case-by-case basis. Before exemptions from the provisions of SMARA are granted, the SMGB, pursuant to SMGB Resolution No. 93-6, considers the following four criteria: compliance with the California Environmental Quality Act (CEQA), whether the proposed activity is permitted or otherwise authorized by a lead agency, whether the end use or proposed end use of property on which the activity is proposed to occur is defined, and whether there may be adverse impacts from the proposed operation on commercial activities.

The SMGB must contemplate four specific criteria in considering granting a one-time exemption:

Criteria No. 1: Pursuant to PRC Section 2712(a), has an environmental review been completed on the proposed activity either separately or as part of a larger project?

Criteria No. 2: Pursuant to PRC Sections 2715 and 2770(a), is the proposed activity permitted or otherwise authorized by a local lead agency?

Criteria No. 3: Pursuant to PRC Sections 2711(b) and 2712, is the end use or proposed end use of property on which the proposed activity is to occur defined?

Criteria No. 4: Pursuant to PRC Sections 2714(b), have the potential impacts on commercial interests resulting from the proposed activity been considered?

Table 11
Summary of SMARA Exemption Requests
From July 2000 to June 2013

Date	City or County	Exemption Request
11/19/2000	Fresno County	Strahm Engineering, Gegunde Stock Pond,
8/16/2001	Yuba County	Jon Messick
8/16/2001	Lassen County	Fitch Sand & Gravel,
12/13/2001	City of Red Bluff	Ladd & Associates, Adobe Road-Interchange
7/11/2002	Yuba County	Baldwin Contracting Company
11/14/2002	Yuba County	Alice Sohrakoff,
4/10/2003	Kern County	Cactus Mine
5/23/2003	Yuba County	Baldwin Contracting,
3/12/2004	Kern County	B&B Materials, Inc.
6/10/2004	Santa Barbara County	Jeff & Shawn Montgomery, Montgomery Family Trust, Lambert Road, Carpinteria,
7/23/2004	Kern County	Smeed Family Trust, Tehachapi
03/13/2008	Mendocino	Willits Bypass,
	San Diego County	Hester Granite Pit
04/09/2009	Yuba County	Three Rivers Levee Improvement Authority
11/12/2009	Sacramento County	Natomas Urban Development Borrow Site, Sacramento Area Flood Control Agency
03/11/2010	Kern County	California Vision, Inc.
04/15/2010	Sacramento County	M & T Ranch
04/15/2010	Tehama County	Ford Construction
05/13/2010	Imperial County	The California Energy Commission
06/10/2010	Tulare County	Tea Pot Dome Water District
12/09/2010	Ventura County	California State University Channel Islands (CSUCI)
02/10/2011	Ventura County	Ojai Oil Company Project
09/08/2011	City of San Diego	Regional Beach Sand Project

Table 11 (Continued)
Summary of SMARA Exemption Requests
From July 2000 to June 2013

Date	City or County	Exemption Request
01/12/2012	County of Sutter	Goose Club Farms North Project
03/08/2012	County of Plumas	Spanish Creek in Meadow Valley Restoration Project
03/08/2012	County of Stanislaus	West Stanislaus Irrigation District (WSID) Main Canal Renovation Project
05/10/2012	County of Colusa	Proposed Sand Creek Project
06/14/2012	City of Santa Paula, County of Ventura	Proposed East Area I Property
04/11/2013	County of San Diego	Proposed San Cayatano Orchard Project

Proposed San Cayatano Orchard Project (Operator, Teague Construction, Inc.), County of Ventura:

At its April 11, 2013, regular business meeting, the SMGB considered granting a one-time exemption from SMARA for the Proposed San Cayatano Orchard Project, County of Ventura pursuant to Section 2714(f). On March 27, 2013, Jane Farkas, consultant with Sespe Consulting, Inc., submitted a request for a one-time exemption from SMARA for the proposed San Cayatano Orchard Agricultural Mining project, located in the County of Ventura (County). The purpose of the proposed project was to remove and mulch approximately 11 acres of existing 75-year old lemon trees, excavate approximately 40,000 cubic yards of material to a depth of eight feet, remove rock larger than eight-inches in diameter, re-contour the slope to control runoff, amend soil, and replant the site with avocados. The future end use of the property on which the proposed activity was to be conducted is agricultural. Since the excavated material is planned to be transported offsite for processing and incorporation into asphalt or used as aggregate, the proposed activity is subject to SMARA.

The proposed project exceeded SMARA's minimum thresholds by disturbing more than one acre of land and 1,000 cubic yards of material for commercial purposes. However, one-time exemptions have been granted by the SMGB in the past in instances where such thresholds have been significantly exceeded, but not typically when materials are being extracted for export and commercial gain.

The SMGB granted the exemption pending the applicant attain all necessary permit conditions set forth by the County of Ventura, and any other agencies that have jurisdiction over any aspects of this project. This granting reflected restrictions on proposed activities and operations that would be constrained by CalTrans and County regulations and permit conditions. A draft grading permit was in preparation and planned to be submitted to the Ventura County Public Works Department for review and approval after an exemption from SMARA determination is made. The grading permit would include Applicable Best Management Practices (BMPs) for dust control, runoff and erosion control. Also, a Grading Plan would be prepared, reviewed and approved by the Ventura County Public Works Department prior to issuance of a Grading

Permit. Lastly, the potential impacts on commercial interests resulting from the proposed activity had not been determined, but were not considered to be of significance.

Financial Assurance Appeals

Petitioner RiverPark B, LLC, (RiverPark), on September 10, 2012, filed with the State Mining and Geology Board (SMGB) an Intent to Appeal stating that the City of Oxnard (City) failed to approve and timely act upon an adjusted financial assurance for the RiverPark Mine. RiverPark has petitioned the SMGB to take jurisdiction of the appeal pursuant to the Surface Mining and Reclamation Act (SMARA), notably, PRC Section 2770(e)(3). The SMGB shall determine whether, based on the record before it, the proposed or existing financial assurances for reclamation substantially meet the applicable requirements of PRC Sections 2770, 2773.1, and the lead agency surface mining ordinance adopted pursuant to subdivision (a) of Section 2774. Should such financial assurance meet the applicable requirements, the financial assurance cost estimate shall be approved. At its February 13 and April 11, 2013, regular business meetings, the SMGB considered a Financial Assurance Appeal for Failure of the City of Oxnard to Adjust a Financial Assurance for the RiverPark Mine (CA Mine ID #91-56-0007 and #91-56-0026), City of Oxnard, Pursuant to Public Resources Code Section 2770(e) and Title 14, Division 2, Chapter 8, Subchapter 1, California Code of Regulations, Article 7, Section 3680.

Material extraction has occurred on the property since the early 1950s. Hanson Aggregates West, Inc. (Hanson) obtained approval to resume mining of construction-grade aggregate from the County of Ventura on March 22, 1979. The mining permit expired in March 1999, with all extraction activities terminated. The ready-mix concrete and asphalt plant permit also expired in March 1999, but the plant is still in use and operates under temporary status authorized by the County of Ventura. The site is being reclaimed to accommodate an approximately 701-acre mixed-use development.

On September 5, 2002, a revised Reclamation Plan and financial assurance was approved by the SMARA lead agency, the City of Oxnard, for both surface mine sites referenced above, and under the same ownership. The current approved financial assurance amount is \$16,648,526. Substantial reclamation work has been accomplished over the past ten years under the direct observation of the City, with no associated reduction in bond amount.

RiverPark has prepared multiple and annual adjusted financial assurance cost estimates (FACE) since 2009 reflecting a reduction in costs due to reclamation efforts accomplished. The most recent FACE submitted to the City was in April 2011, with an estimated FACE in the amount of \$2,843,723 (based on remaining reclamation activities as set forth in the approved reclamation plan). It is alleged that the City refuses to reduce the bond amount from the original amount of \$16,648,528.

An additional request for adjustment and reduction of the financial assurance bond amount was made by RiverPark to the City's attorney on May 2, 2012. The City attorney denied such request in correspondence dated August 24, 2012 stating *"...much of the work set forth in the Reclamation Plan has been accomplished. Our concern is that reclamation, even in the areas where work has been accomplished, is not complete."*

RiverPark filed its Intent to Appeal with the SMGB within the 15 days of exhausting its right to appeal in accordance with the procedures of the City. RiverPark notified the City by letter dated September 7, 2012, that it had exhausted its appeal rights with the City. The Intent to Appeal was received at the SMGB office on September 11, 2012, a determination was made that this appeal was within the jurisdiction of the SMGB.

At its February 13, 2013 regular business meeting, the Executive Officer noted that the issue under appeal was the consideration by the City, acting as the SMARA lead agency, of an adjusted financial assurance submitted by RiverPark. RiverPark argued that the City failed to act within a reasonable time of receipt of a completed application, and failed to review and consider adjustment of a FACE based on reclamation work performed.

The approved reclamation plan for the RiverPark B Development, LLC, dated September 2002, notes that the site, divided into two areas, will comprise a Town Center, residential development and a flood control detention basin. The current financial assurance mechanism, established and approved on September 5, 2002, is for the amount of \$16,648,526. Although a significant amount of reclamation related work has been completed, no adjustment of the financial assurance amount has been made to date. As of April 23, 2011, the estimated amount of reclamation costs remaining was calculated to be on the order to \$2,843,723. RiverPark requested the City to review and adjust in correspondence dated May 2, 2012, and August 21, 2012. In correspondence dated August 21, 2012, the City denied an adjustment acknowledging that much of the work has been accomplished, but concerns remain over reclamation not being complete in certain areas. RiverPark forwarded a Notice of Intent to Appeal to the SMGB in correspondence dated September 7, 2012.

The City is mandated by law to review and adjust the financial assurance cost estimate annually, and subsequently the operator can adjust the financial assurance mechanism appropriately, to account for new lands disturbed by surface mining operations, inflation, and reclamation of lands accomplished in accordance with the approved reclamation plan. Recent submittal of adjusted financial assurance cost estimates were provided by RiverPark in correspondence dated January 25, 2013. The two scenarios reflecting reclamation activities remaining to be completed were of the amount of \$1,586,390 and \$1,982,068, respectively. At the time this Executive Officer's Report was prepared, the City had refused to review and adjust the financial assurance bond amount.

At its February 13, 2013 regular business meeting, the SMGB held a public hearing and moved to continue this matter for 60 days to allow both the City and RiverPark time to review and consider updating the financial assurance cost estimate to reflect outstanding reclamation activities to be performed. In addition, a site visit was conducted by the Executive Officer to observe current site conditions. Since such time, a revised 2013 financial cost estimate, and opinions dated March 11, 2013, were submitted by RiverPark. In addition, the City also submitted a revised financial assurance cost estimate dated March 28, 2013.

The subject site includes two large water storage basins: the Brigham-Vickers pit and the Large Woolsey pit. The perimeter of both pits are to be graded at 2:1 (horizontal to vertical), and able to withstand predominant water elevation and seasonal fluctuations, and the influence of prevailing strong winds. The financial assurance cost estimate for the subject site has been revised by RiverPark to \$2,023,598. This estimate reflected the use of rip rap for slope protection between elevations 40 and 55 feet, and to elevation 60 feet (relative to mean sea level) for select portions of the Brigham-Vickers pit (i.e., notably northeast and southwest portions coincident with prevailing wind directions), and northerly portion of the Large Woolsey pit. The City's consultant forwarded a revised financial assurance cost estimate of \$5,016,175. This estimate reflects slope protection via use of rip rap or similar alternatives (i.e., Flexamat; a proprietary tied concrete black mat) from elevation 36 to 60 feet, regrading of slope faces that exceed 2:1 (horizontal to vertical), and drainage devices along the top of slopes to prevent surface runoff.

The SMGB must first determine whether upon the record before it, the proposed adjusted financial assurance substantially meets the requirements of PRC Section 2770, 2773.1, and the City's surface mining ordinance adopted pursuant to subdivision (a) of Section 2774. Should the SMGB not deem the adjusted financial assurance cost estimate to be adequate, and not approve the adjusted financial assurance cost estimate, deficiencies shall be noted in the correspondence notifying the appellant and the lead agency of the SMGB's decision. The appellant shall be granted, once only, a period of 30 days, or a longer period mutually agreed upon by the operator and the SMGB, to correct the noted deficiencies and submit the revised financial assurances for reclamation to the lead agency for review and approval.

At its April 11, 2013, regular business meeting, the SMGB continued this matter for an additional 90 days to allow both the City and RiverPark (operator) to continue discussions and allow further opportunity for the City and Appellant to review and consider adjustment of the financial assurance cost estimate to reflect outstanding reclamation activities to be performed.

Designation Appeals

One designation appeal was held during the 2012-2013 period. At its March 14, 2013, regular business meeting, the SMGB held a public hearing on an Appeal to the SMGB regarding approval by the County of Fresno of the Carmelita Mine and Reclamation Project (Colony Land Company, LP, Operator), County of Fresno, pursuant to Public Resources Code Section 2775.

Petitioner Friends of the Kings River (Friends, Petitioner) filed on October 30, 2012, with the SMGB an Intent to Appeal a decision by the County of Fresno (County) to approve a reclamation plan and Conditional Use Permit for the Carmelita Mine and Reclamation Project (Project) on land designated by the SMGB to contain regionally significant mineral resources on the grounds that the permit and reclamation plan for the Project were not in compliance with the SMARA and the County's Zoning Ordinance 858. Friends have petitioned the SMGB to take jurisdiction for the appeal pursuant to SMARA, and specifically, PRC Section 2775(a). Pursuant to PRC Section 2775(c), the SMGB shall not exercise its independent judgment on the evidence but shall only determine whether the decision of the County is supported by substantial evidence in the light of the whole record. If the SMGB determines the decision of the County was not supported by substantial evidence in the light of the whole record it shall remand the appeal to the County and the County shall schedule a public hearing to reconsider its action.

Under the provisions of SMARA, the SMGB has authority to designate in regulation specific geographic areas of the State of California as having statewide or regional mineral significance (ref. PRC Section 2790). SMARA Section 2775(a) provides that the SMGB may hear an appeal of an applicant whose request for a permit to conduct a surface mining operation in an Area of Regional Significance (as defined PRC Section 2726) has been denied by a lead agency. The SMGB has, pursuant to PRC Section 2775(b), established procedures in 14 CCR Section 3625 et seq. for determining if the grounds upon which a petition to appeal are made raise significant issues that are within the jurisdiction of the SMGB. PRC Section 2775(c) provides an administrative process for appeals the SMGB decides not to decline. Specifically, PRC Section 2775 et seq. states:

“(a) An applicant whose request for a permit to conduct surface mining operations in an area of statewide or regional significance has been denied by a lead agency, or any person who is aggrieved by the granting of a permit to conduct surface mining operations in an area of statewide or regional significance, may, within 15

days of exhausting his rights to appeal in accordance with the procedures of the lead agency, appeal to the board.

(b) The board may, by regulation, establish procedures for declining to hear appeals that it determines raise no substantial issues.

"Appeals that the board does not decline to hear shall be scheduled and heard at a public hearing held within the jurisdiction of the lead agency which processed the original application within 30 days of the filing of the appeal, or such longer period as may be mutually agreed upon by the board and the person filing the appeal. In any such action, the board shall not exercise its independent judgment on the evidence but shall only determine whether the decision of the lead agency is supported by substantial evidence in the light of the whole record. If the board determines the decision of the lead agency is not supported by substantial evidence in the light of the whole record it shall remand the appeal to the lead agency and the lead agency shall schedule a public hearing to reconsider its action."

The administrative process for a designation appeal under PRC Section 2775 et seq. is provided under CCR Section 3626 which states:

"Any person filing an appeal to the Board pursuant to PRC 2775 shall, within 15 days of exhausting his or her rights to appeal in accordance with the procedures of the lead agency, file an intent to appeal by submitting the following information. Failure to submit all the required, completed documents to the Board within the 15 day filing period will result in an incomplete filing of intent and an automatic rejection of the appeal...."

CCR Section 3627 provides three criteria upon which the Chairman shall make his decision to accept or deny a hearing on the appeal:

"(a) Whether the appeal raises any issues which legally can be addressed by the Board within the limits of the Public Resources Code and the rules of the Board; and,

(b) Whether the appeal specifically relates to the approval or denial of a permit to conduct surface mining operations in an area designated by the Board as being of statewide or regional significance.

(c) Whether the appeal is that of a lead agency's reconsideration of an appeal previously remanded by the board to that lead agency, and the appellant's challenge raises no new substantial issues with respect to the action taken by the lead agency to approve or deny the permit to conduct surface mining operations."

The proposed project site is within the jurisdictional boundaries of the County and is situated south of State Route 180, east of the Kings River, approximately 15 miles east of the City of Fresno, six miles east of the City of Sanger, in an unincorporated area of the County. Colony Land Company LP (Applicant) submitted an application to the County for a Conditional Use Permit and Reclamation Plan dated May 2012 to develop and reclaim an aggregate mine and related processing plant, concrete and asphalt plants, and a recycling plant on 886 acres of a 1,500 acre site, which is further comprised of 14 parcels. The project is proposed to be operated by Carmelita Resources. Most of the site is currently in fruit plant production. The

project is anticipated to have a maximum production rate of 1.25 million tons of aggregate per year, with an operating life of 100 years.

The proposed project area is located within Sector K of the Fresno Production-Consumption Region (CCR Section 3550.13), an area of statewide or regional significance. The area where the project is proposed has been classified by the California Geological Survey (CGS; formerly California Division of Mines and Geology) as a Mineral Resources Zone (MRZ) since 1986, and incorporated as MRZ in the Fresno County General Plan in 1987. The area where the proposed project site is located, Sector K, was designated by the SMGB as being of regional significance in 1988. The proposed project area is zoned agricultural; the site would be converted to non-agricultural use (FEIR, 2012).

The reclamation plan calls for backfilling a portion of the 886 acres to be mined, reclaiming up to 240 acres for agricultural purposes. Depending on the amount of available fill, as much as 646 acres of the site will be left as water basins. Such water basins would be maintained completely devoid of vegetation or habitat value in order to deter wildlife. Note that the Environmental Impact Report states, “*a maximum of 583 acres may be permanently removed from agricultural production. . .*”, which is in conflict with the reclamation plan. Notably, being in close proximity to the Reedley Municipal Airport, the project proponent has determined that the water basins will need to be maintained void of vegetation and habitat value in perpetuity to reduce potential risk to aircraft striking birds.

County’s Decision: The Colony Land LP submitted a reclamation plan dated May 2012 to the County for approval consideration. On August 9, 2012, the County Planning Commission considered the Project (both the reclamation plan and Conditional Use Permit application), and approved the Project. Friends appealed to the Board of Supervisors. On October 16, 2012, the County Board of Supervisors, on appeal from the Planning Commission, approved the Project.

Friends’ Appeal to the SMGB: Petitioner Friends asserts that the Conditional Use Permit application and Reclamation Plan as submitted by Colony Land Group LP and approved by the County was inconsistent with SMARA and the SMGB’s regulations.

Specifically, Petitioner in the Intent to Appeal dated October 30, 2012, alleged:

- The County’s decision to approve the proposed reclamation plan was in conflict with CCR Section 3704(d)(f) since insufficient data and analysis was provided to support the conclusions pertaining to slope stability.
- The County’s decision to approve the proposed reclamation plan was in conflict with PRC Section 2733 and 2712(a), 2712(b) and 2712(c) since more than 600 acres will not be reclaimed to a usable condition, and the Project and proposed reclamation will harm the watershed and create public health and safety hazards.
- The County’s decision to approve the proposed reclamation plan was in conflict with PRC Section 2711(b) since the Project will not result in the “*subsequent beneficial use of the mined and reclaimed land.*”
- The County’s decision to approve the proposed reclamation plan was in conflict with CCR Sections 3707 and 3708 because approximately 600 acres of prime and important agricultural lands will not be reclaimed to produce any

crops, and may or may not perform the dubious “*function*” identified as “*water basins*.”

On November 7, 2012, the Chairman determined that there was sufficient prima facie evidence to conclude that the SMGB does have jurisdiction under PRC Section 2775 to consider the Petitioner’s appeal.

A fundamental procedural problem was evident in this matter. In OMR correspondence dated August 8, 2012, OMR reiterated and clarified its earlier comments provided in correspondence dated July 9, 2012, and August 1, 2012. Notably, it is stated that “*OMR’s position is that the reclamation plan will not be considered complete until the operator complies with the following specific conditions from the County’s July 10, 2012 letter (Attachment), prior to the commencement of mining activities:*

- *Condition of Approval from County Response #4.*
- *Condition of Approval from County Response #6.*
- *Condition of Approval from County Response #7.”*

The status of condition of Approval #4 and #6 remain uncertain at the time this Executive Officer’s report was prepared. However, it is my understanding that OMR received a letter titled “*Colony Company’s Carmelita Project Supplemented Reclamation Plan,*” dated February 26, 2013. In addition, OMR informed the Executive Officer that the letter also indicated that the reclamation plan for this project was updated to include *Carmelita Mine and Reclamation Project, Engineered Grading and Drainage Plan*, dated February 19, 2013, prepared by EMKO Environmental, Inc. and Sespe Consulting, Inc. (Condition of Approval from Response # 4 of Fresno County’s July 10, 2012 letter), and *Carmelita Mine and Reclamation Project, Postmining Water Balance Report*, dated February 19, 2013, prepared by EMKO Environmental, Inc. (Condition of Approval from Response #6 of County’s July 10, 2012 letter)

In the County’s July 10, 2012 response to OMR’s comments dated July 9, 2012, the County notes, “*Upon receipt of and deeming the materials to be complete, the information shall be processed as a plan amendment to allow the incorporation of these documents into the reclamation plan. As part of the review process, the County shall provide the Department of Conservation/Office of Mine Reclamation the opportunity to review the amended reclamation plan, in accordance with the provisions of Public Resources Code Section 2774*”, and that the Conditional Use Permit would be subject to such Conditions of Approval.

From the foregoing, it seems evident that the County’s final determination of how it will address all these concerns is yet to be reached, and yet, those decisions necessarily will become part of what the reclamation plan, coupled with the CUP, will require. Because the proposed water basins raise serious issues with respect to whether reclamation standards will be met by the proposed plan, and because the foregoing OMR concerns are likely to lead to alterations to the plan which will refine how those issues are addressed, it is apparent that the final reclamation plan remains to be determined. It appeared, therefore, that the SMGB properly may conclude that it would be appropriate to defer consideration of Petitioner’s appeal until the lead agency has finally resolved all SMARA-related issues it intends to with respect to the project proposal.

Ordinarily, the issue before the SMGB at the time of the hearing is defined pursuant to PRC Section 2775(c). In any such action, the SMGB shall not exercise its independent judgment on the evidence but shall only determine whether the decision of the lead agency is supported by substantial evidence in the light of the whole record. If the SMGB determines the decision of the lead agency is not supported by substantial evidence in the light of the whole record it shall

remand the appeal to the lead agency and the lead agency shall schedule a public hearing to reconsider its action."

In the present case, it is apparent that the lead agency intends to consider additional input pertaining to the conditions suggested by OMR, as discussed herein. It remains to be seen whether, after the County receives that input, it will make changes that affect the reclamation plan it has approved and which is the subject of this appeal. Certainly, it would be inappropriate for the SMGB to make any determination as to the issues on appeal before the lead agency finally takes action on those issues. Thus, the proper course for the SMGB here is to remand the case to the County on the ground that its approval of the reclamation plan was not final, but was premature, and to defer any further consideration of the appeal until and unless the lead agency finally acts on the OMR conditions.

It should be noted that a remand is appropriate given the representations in the record that Fresno County intends to address OMR's suggested conditions to the reclamation plan. As stated above, the issues thereby raised are quite pertinent to the concerns raised by this appeal. The lead agency has not committed to any particular response to OMR's conditions, and may, indeed make no modifications to the approvals it has already issued in this matter. However, in fairness to all, the record on the current appeal does not include all the material pertinent to the lead agency's consideration of how it might address OMR's suggested conditions. When the County has completed its evaluation and acted on that evaluation, even if that results in no changes to the current approvals, the record will then include all that has been placed before the lead agency. If, at that point, any party wishes to appeal the County's final determination, the SMGB will have a full understanding of how the lead agency responded to OMR, and can evaluate that in the context of any appeal.

At its March 14, 2013 regular business meeting, the SMGB in its public hearing in the matter of a designation appeal under PRC Section 2775 for the Proposed Carmelita Mine and Reclamation Project (Project), granted the appeal, denied the County's approval of the reclamation plan on procedural grounds, and remanded the reclamation plan back to the County for approval consideration upon completion of the reclamation plan.

Reclamation Plan Appeals

Pursuant to PRC Section 2770(e), a person who, based on the evidence of the record, can substantiate that a lead agency has either (1) failed to act according to due process or has relied on considerations not related to the specific applicable requirements of Sections 2772, 2773, and 2773.1, and the lead agency surface mining ordinance adopted pursuant to subdivision (a) of Section 2774, in reaching a decision to deny approval of a reclamation plan or financial assurances for reclamation, (2) failed to act within a reasonable time of receipt of a completed application, or (3) failed to review and approve reclamation plans or financial assurances as required by subdivisions (c) and (d), may appeal that action or inaction to the board. No reclamation plan appeals were received during the 2012-2013 annual reporting period.

SMARA Lead Agency Review

The SMGB received comments and complaints about SMARA lead agencies through three venues: public complaints (i.e., citizen, operator, environmental groups, etc.), referrals from OMR Lead Agency Review Team (LART), or follow-up from a 15-Day Notice issued by OMR to a SMARA lead agency.

California is the only state in the conterminous United States where surface mine reclamation is not regulated at the state level. Most states also maintain permitting authority when it comes to mining regulation; whereas, in California permitting authority is decided at the local level. SMARA pursuant to Public Resources Code (PRC) Section 2728 defines a lead agency as a city, county, San Francisco Bay Conservation and Development Commission (BCDC), or the SMGB which has the principal responsibility for approving a surface mining operation or reclamation plan. Under the California Surface Mining and Reclamation Act of 1975 (SMARA), there are currently 113 lead agencies: 50 counties, 63 cities, and the SMGB.

In 2007, the SMGB published Information Report IR 2006-07 titled “*Report on SMARA Lead Agency Performance Regarding Mine Reclamation.*” This evaluation assessed the lead agency’s performance of periodic mine inspections, adjustment of annual financial assurances and enforcement of the preparation of Interim Management Plans should a surface mine site be characterized as idle for a period exceeding one year. Based on this review, the overall performance of SMARA lead agencies was found to significantly vary throughout the state. For the most part, overall performance was found to be poor, reflecting a number of factors including primarily financial constraints, and limited or absence of technical expertise. In 2007, the Department of Conservation through OMR established the Lead Agency Review Team (LART).

A summary of lead agency issues heard by the SMGB, including review of LART reports, is summarized in Table 13. During the 2012-2013 annual reporting period, the SMGB reviewed the SMARA programs for the cities of Bakersfield, Pacifica and Taft, and counties of Colusa, Del Norte, Madera, Mariposa, and Mono. LART also provided the SMGB an overview of their reports for the Counties of Marin, Monterey and San Mateo, and cities of Fremont and Tracy. A 45-Day Notice to Correct Deficiencies was issued to three cities and five counties during the annual 2012-2013 reporting period. In all these cases the lead agencies resolved the deficiencies to the SMGB’s satisfaction.

Table 12
Summary of SMARA Lead Agencies Addressed by the SMGB as of June 2013

LART Report	Description	Date of LART Report	SMGB Action	Resolution
Cities	Bakersfield	11/21/2012	LART report presented on 12/13/2012; 45-Day Notice to Correct Deficiencies Issued 12/20/2012	Resolved to SMGB's satisfaction
	Chula Vista	2/15/2012	No action taken	
	Fremont	3/12/2013	LART report presented on 6/13/2013	Resolved to SMGB's satisfaction
	Lake Elsinore	No report prepared	45-Day Notice to Correct Deficiencies issued 12/16/2010	Resolved to SMGB's satisfaction
	Oceanside	2/15/2012	No action taken	
	Pacifica	10/3/2012	LART report presented on 10/11/2012; 45-Day Notice to Correct Deficiencies Issued 10/16/2012	Resolved to SMGB's satisfaction
	Taft	10/3/2012	LART report presented on 10/11/2012; 45-Day Notice to Correct Deficiencies Issued 10/16/2012	Resolved to SMGB's satisfaction
	Tracy	3/13/2013	No action taken	
	Truckee	2/17/2011	No action taken	
Counties	Alameda	2/22/2011	No action taken	
	Alpine	9/8/2010	LART Report presented on 12/9/2010	Assumed via agreement in 2011
	Colusa	4/15/2012	LART report presented; 45-Day Notice to Correct Deficiencies issued 05/16/2012	Resolved to SMGB's satisfaction
	Del Norte	11/30/2012	LART report presented on 12/13/2012; 45-Day Notice to Correct Deficiencies issued 12/20/2012	Resolved to SMGB's satisfaction
	El Dorado County	Not applicable	45-Day Notice to Correct Deficiencies issued	Assumed by SMGB in 2001
	Lake	12/5/2011	No action taken	
	Madera	5/17/2012	LART report presented on 9/13/2012; 45-Day Notice to Correct Deficiencies Issued 10/16/2012	Resolved to SMGB's satisfaction

Table 12 (continued)
Summary of SMARA Lead Agencies Addressed by the SMGB as of June 2013

LART Report	Description	Date of LART Report	SMGB Action	Resolution
	Marin	3/13/2013	LART report presented; 45-Day Notice to Correct Deficiencies issued 06/18/2013	Pending Resolution
	Mariposa	5/29/2012	45-Day Notice to Correct Deficiencies Issued 06/21/2012	Resolved to SMGB's satisfaction
	Mendocino	7/19/2012	LART report presented on 9/13/2012; 45-Day Notice to Correct Deficiencies issued 10/30/2012	Pending Resolution
	Merced	9/20/2011	No action taken	
	Mono	2/28/2011	45-Day Notice to Correct Deficiencies Issued 10/16/2012	Resolved to SMGB's satisfaction
	Monterey	2/22/2013	LART report presented on 6/13/2013; 45-Day Notice to Correct Deficiencies issued 10/16/2013	Pending Resolution
	Napa	10/7/2009	No action taken	
	Nevada	2/15/2012	No action taken	
	San Diego	2/17/2012	No action taken	
	San Mateo	10/3/2012	LART report presented on 10/11/2012; 45-Day Notice to Correct Deficiencies issued 10/16/2012	Pending Resolution
	Santa Cruz	4/1/2010	No action taken	
	Santa Clara	Not applicable	45-Day Notice to Correct Deficiencies issued	Resolved to SMGB's satisfaction
	Sierra	Not applicable	45-Day Notice to Correct Deficiencies issued	Resolved to SMGB's satisfaction
	Siskiyou	Not applicable	45-Day Notice to Correct Deficiencies issued	Resolved to SMGB's satisfaction
	Tuolumne	8/2009	No action taken	
	Yolo	9/5/2012	LART report presented on 10/11/2012	Pending Resolution
	Yuba	Not applicable	45-Day Notice to Correct Deficiencies issued 10/01/2001	Assumed by SMGB in 2002

SMGB AS A SMARA LEAD AGENCY

There are four circumstances when the SMGB is empowered to assume local lead agency authority:

1. When the lead agency's mining ordinance has been determined to be deficient by the SMGB, the SMGB assumes authority to review and approve new reclamation plans and plan amendments until a revised ordinance is certified by the SMGB. There were two lead agencies in this category as of June 30, 2013.
2. When a local jurisdiction has no mining ordinance, yet has a surface mining, or proposed surface mining, operation within its jurisdiction. There were eight lead agencies in this category as of June 30, 2013.
3. When the SMGB accepts an appeal petition from an aggrieved person alleging a lead agency's inaction or its denial of a reclamation plan or financial assurance, the SMGB may uphold or override that denial. There were no reclamation plan or financial assurance appeals for this annual reporting period.
4. When the SMGB determines that a lead agency has failed in one or more of its responsibilities under SMARA. There were three lead agencies in this category as of June 30, 2012; Alpine County, El Dorado County and Yuba County.

In March 2000 the SMGB assumed from El Dorado County its SMARA authority to annually inspect surface mines. The SMGB determined that annual mine inspections performed by the County were not adequate to determine the true operating and compliance status of the surface mines within the County's jurisdiction. In 2001 and 2002 the SMGB assumed SMARA lead agency authority from the County of El Dorado and County of Yuba, respectively. On June 7, 2011, the SMGB assumed SMARA lead agency authority from the County of Alpine via a Memorandum of Understanding (MOU).

As of June 2013, the SMGB serves as lead agency under SMARA for 47 individual mining operations located in California. Of these 47 surface mining operations, 28 are located within three counties (County of Alpine, County of El Dorado and County of Yuba), 11 are located within cities that do not have surface mining ordinances, and 8 are dredging operations located within the San Francisco Bay and bay delta areas (Table 10).

The SMGB may assume a local jurisdiction's authority to administer SMARA under certain circumstances. Specifically, PRC Section 2774.4 states:

“(a) If the board finds that a lead agency either has (1) approved reclamation plans or financial assurances which are not consistent with this chapter, (2) failed to inspect or cause the inspection of surface mining operations as required by this chapter, (3) failed to seek forfeiture of financial assurances and to carry out reclamation of surface mining operations as required by this chapter, (4) failed to take appropriate enforcement actions as required by this chapter, (5) intentionally misrepresented the results of inspections required under this chapter, or (6) failed to submit information to the department as required by this chapter, the board shall exercise any of the powers of that lead agency under this chapter, except for permitting authority.”

Several figures showing surface mining sites located within the jurisdiction of the SMGB as a SMARA lead agency are presented in Figures 5 through 8.



Figure 5. Former aggregate extraction pond within the Yuba Goldfields near the community of Hallwood in Yuba County showing reclaimed shoreline. (Photo credit: Will Arcand)

PRC Section 2774.5 requires the SMGB to assume full authority for reviewing and approving reclamation plans in any jurisdiction in which the lead agency does not have a certified surface mining ordinance. As of July 2012, the SMGB serves as SMARA lead agency for eight cities that have surface mining operations within their jurisdiction, but do not have surface mining ordinances certified by the SMGB.

Additionally, the SMGB acts as the SMARA lead agency for all surface mining operations under the jurisdiction of the San Francisco Bay Conservation and Development Commission (BCDC). The San Francisco BCDC jurisdiction includes open water, marshes, mud flats and shorelines immediately surrounding San Francisco Bay and its surrounding Bays and tributary water bodies. As of July 2012 there were eight marine dredging operations that have approved reclamation plans in place, for which the SMGB oversees SMARA compliance (Figure 14).

Lastly, as of June of 2013 the SMGB has identified 94 surface mining operations within California that are either owned or operated by a SMARA lead agency. The SMGB has determined that it is inappropriate for local lead agency staff, or consultants hired by such lead agencies, to conduct annual surface mine inspections at these sites due to a potential conflict of interest under CCR Section 3504.5(c). Specifically, CCR Section 3504.5(c) states:

“A surface mine inspection shall not be performed by any person who holds a financial interest in or has been employed by the surface mining operation in any capacity, including as a consultant or as a contractor, during the year preceding the inspection.”

As such, these surface mining operations, referred to as Financial Conflict Sites, should be inspected by SMGB staff. As of June 2013 SMGB staff has commenced conducting inspections on 2 of the 94 sites identified.



Figure 6. The Diamond Quarry located in El Dorado County. (Photo credit: Will Arcand)



Figure 7. Atkinson Pit No. 1 located in the City of Compton. This former open pit clay mine is being reclaimed via backfilling to the adjacent street level for future retail or industrial land use. (Photo credit: Will Arcand)



Figure 8. View of the open pit of the former Big Gun Quarry within the City of Rocklin. This historic granite quarry is currently undergoing reclamation. (Photo credit: Will Arcand)

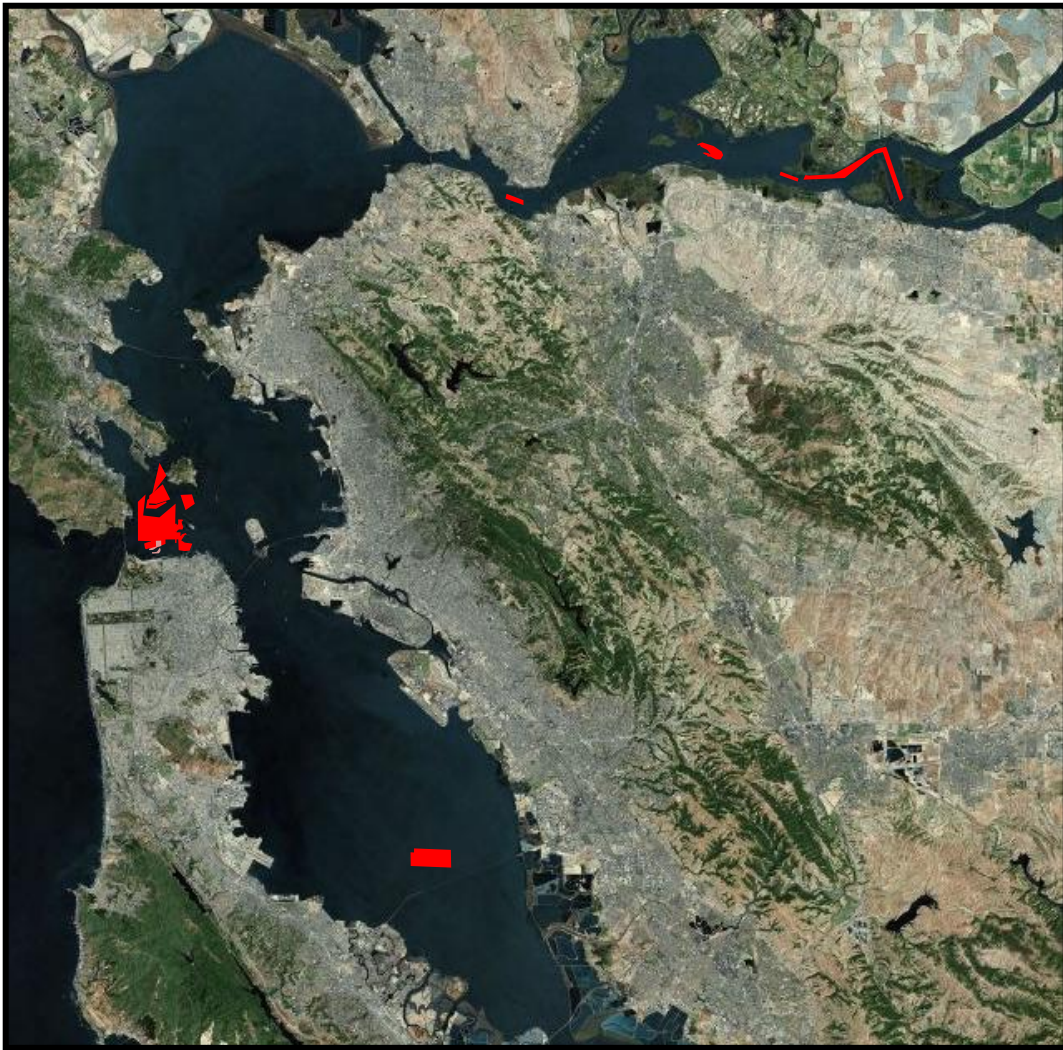


Figure 9. Satellite image of San Francisco Bay and surrounding areas showing locations of San Francisco BCDC marine dredging operations (in red) under the jurisdiction of the SMGB. (Modified after Google Maps, 2009)

The status of all surface mining operations currently under the jurisdiction of the SMGB as a SMARA lead agency, as of June 30, 2013, is summarized in Table 14.

Table 13
SMGB SMARA LEAD AGENCY SURFACE MINES

CA ID No.	Mine Name	Status	Primary Commodity	Local Lead Agency
91-02-0001	Merrill Borrow Pit	Active	Sand and Gravel	County of Alpine
91-02-0002	Gansberg Sand	Active	Sand and Gravel	County of Alpine
91-02-0004	Diamond Valley Borrow Site	Mining Completed - Reclamation In Progress	Sand and Gravel	County of Alpine
91-02-0005	Fredricksburg Gravel Pit	Idle	Sand and Gravel	County of Alpine
91-07-0006	Richmond (Chevron) Quarry	Mining Completed - Reclamation In Progress	Franciscan Rock, Recyclable Concrete and Asphaltic Material	City of Richmond
91-07-0007	Pt. Richmond (Canal) Quarry	Mining and Reclamation Completed	Franciscan Rock	City of Richmond
91-09-0001	Bear Creek Quarry	Active	Serpentine Rock	County of El Dorado
91-09-0002	Weber Creek Quarry	Idle	Serpentine Rock	County of El Dorado
91-09-0003	Diamond Quarry	Active	Limestone	County of El Dorado
91-09-0004	Chili Bar Slate Mine	Active	Slate	County of El Dorado
91-09-0005	Cool Cave Quarry	Active	Limestone	County of El Dorado
91-09-0006	Timm Mine	Idle	Specimen Gold	County of El Dorado
91-09-0009	Somerset Sand Pit	Active	Granitic Sand	County of El Dorado
91-09-0010	Lawyer Pit	Active	Granitic Sand	County of El Dorado
91-09-0012	Snows Road Quarry	Active	Alluvial Sand and Gravel	County of El Dorado
91-09-0015	Marin Quarry	Idle	Granodiorite	County of El Dorado
91-09-00XX	Big Cut Mine	Active, Unpermitted Illegal Mining Operation	Sand, Gravel, Placer Gold	County of El Dorado
91-19-0004	Atkinson Pit I	Mining Completed - Reclamation In Progress	Clay	City of Compton
91-27-0006	CEMEX-Lapis	Active	Beach Sand	City of Marina
91-31-0013	Big Gun Quarry	Mining Completed - Reclamation In Progress	Granite	City of Rocklin
91-33-0002	Avalon Mine	Active	Sand and Gravel	City of Jurupa Valley
91-33-0029	Philadelphia Recycling Mine	Active	Fill Dirt	City of Jurupa Valley
91-33-0061	Harlow Quarry	Active	Sand and Gravel	City of Jurupa Valley
91-33-0062	Pyrite Quarry	Active	Sand and Gravel	City of Jurupa Valley
91-33-0003	Super Creek Quarry (Painted Hills)	Active	Decorative Stone	City of Desert Hot Springs

Table 13 (Continued)
SMGB SMARA LEAD AGENCY SURFACE MINES

CA ID No.	Mine Name	Status	Primary Commodity	Local Lead Agency
91-33-0031	Garnet Pit	Active	Alluvial Sand	City of Palm Springs
91-38-0001	Alcatraz, Presidio, Point Knox	Active	Marine Sand	San Francisco BCDC
91-38-0002	Point Knox South	Active	Marine Sand	San Francisco BCDC
91-38-0003	Point Knox Shoal	Active	Marine Sand	San Francisco BCDC
91-38-0004	Alcatraz South Shoal	Active	Marine Sand	San Francisco BCDC
91-38-0005	Hanson Suisun Bay	Active	Marine Sand	San Francisco BCDC
91-38-0006	Hanson Suisun Bay Middleground Shoal	Active	Marine Sand	San Francisco BCDC
91-38-0007	Jerico Suisun Bay Middle Ground Shoal	Active	Marine Sand	San Francisco BCDC
91-38-0011	Morris Tug & Barge Marine Oyster Shell Mining	Active	Marine Oyster Shells	San Francisco BCDC
91-56-0034	Santa Paula Materials	Active	Alluvial Sand and Gravel	City of Santa Paula
91-58-0001	Western Aggregates	Active	Alluvial Sand and Gravel	County of Yuba
91-58-0002	Knife River Hallwood	Active	Alluvial Sand and Gravel	County of Yuba
91-58-0003	Cal Sierra Development	Active	Gold	County of Yuba
91-58-0004	Sperbeck Quarry	Active	Metabasalt	County of Yuba
91-58-0006	Teichert Hallwood	Active - Reclamation In Progress	Alluvial Sand and Gravel	County of Yuba
91-58-0007	Wheatland Clay	Idle - Reclamation Complete	Clay	County of Yuba
91-58-0011	Dantoni Pit	Active	Alluvial Sand and Gravel	County of Yuba
91-58-0013	Parks Bar Quarry	Active	Metabasalt	County of Yuba
91-58-0019	Teichert Marysville (Yuba-Hofman)	Idle	Alluvial Sand and Gravel	County of Yuba
91-58-0021	Blue Point Mine	Reclamation Complete - Post Reclamation Monitoring	Alluvial Sand and Gravel	County of Yuba
91-58-0022	Silica Resources	Active	Alluvial Sand and Gravel	County of Yuba
91-58-0023	Silica Resources #2 (Formerly Garcia Sand & Gravel)	Active	Alluvial Sand and Gravel	County of Yuba
91-58-0025	Simpson Lane	Idle	Alluvial Sand	County of Yuba

During the 2012-2013 reporting period, SMGB SMARA Lead Agency staff conducted 45 annual inspections of surface mining operations, prepared and completed 45 annual inspection reports, and presented 45 annual inspection reports to the SMGB at their regularly scheduled meetings. In addition, SMGB SMARA Lead Agency staff reviewed 20 revised financial assurance cost estimates that were provided by mine operators directly under SMGB SMARA Lead Agency jurisdiction.

At its June 13, 2013, regular business meeting, the SMGB approved closure and release of the financial assurance instrument for the Point Richmond (Canal) Quarry (CA Mine ID #91-07-0007), located in the City of Richmond.

Enforcement Actions: The Big Cut Mine is an unpermitted and illegal surface mining operation located south of Placerville in El Dorado County. The Big Cut Mine site encompasses approximately 150 acres, and is located off Big Cut Road, approximately 1.5 miles south of the town of Placerville, and about 2 miles northwest of Diamond Springs, in El Dorado County, California. The site and vicinity are underlain by meta-sedimentary basement rocks of Paleozoic age (230 to 600 million years before present; mybp), which are overlain by three sedimentary rock formations of Tertiary age (1 to 63 mybp), including extensive deposits of auriferous gravels belonging to the Valley Springs formation. Such auriferous gravels were extensively mined during the latter half of the 19th Century for gold and other heavy minerals. Relatively younger portions of the gravel deposits would later be mined to produce road base and surfacing materials. Historically, previous property owners mined both gold and aggregate from the Big Cut Mine site and vicinity. The Big Cut Mine site is situated on a south-facing slope, and is characterized by two distinct east-west oriented benches. Surface mining operations are primarily located on and immediately adjacent the lower of these two benches at an elevation of approximately 1,950 feet above mean sea level (msl). During the time period from April 2010 through November 2012 significant surface disturbance was noted resulting from mining activity throughout the property, affecting an estimated total of 53 acres (Table 14).

Table 14 Chronology of Pertinent Events and Actions Big Cut Mine Illegal Mining Operation	
Date	Events or Actions
6/14/2007	SMGB approves Interim Financial Assurance Cost Estimate amount of \$166,931.50 for reclamation of areas previously disturbed by unpermitted surface mining activities. Interim Financial Assurance received by SMGB on 1/31/2008.
9/11/2008	Surface Mining Standards Committee of the SMGB moves to recommend approval of the proposed Reclamation Plan for the Big Cut Mine pending completion of environmental review pursuant to the requirements of the California Environmental Quality Act (CEQA).
3/2/2009	Administrative Draft Initial Study and Proposed Mitigated Negative Declaration: Big Cut Mine Reclamation Plan, dated February 2009, received by SMGB. SMGB staff stays review of this document pending the outcome of a vested rights determination requested by the owners/operators, as such determination affects the required scope of CEQA analysis.
4/1/2010	SMGB staff inspects Big Cut Mine site and determines approximately 4 acres disturbed by surface mining operations.
4/15/2010	SMGB determines that mine owners/operators had not demonstrated by a preponderance of evidence that Big Cut Mine has vested rights.
6/10/2010	SMGB adopts Resolution No. 2010-05 denying the claim of vested rights for surface mining operations at the Big Cut Mine.
9/3/2010	SMGB issues Notice of Violation (NOV) to Big Cut Mine owners/operators for operating a surface mine without an approved Reclamation Plan, Financial Assurance, and County Permit to Mine. NOV subsequently received by owner/operator on 9/7/2010.

Table 14 (continued)
Chronology of Pertinent Events and Actions
Big Cut Mine Illegal Mining Operation

Date	Events or Actions
11/10/2010	SMGB moves to issue Order to Comply (OTC) to owners/operators to immediately cease illegal surface mining activities and commence corrective actions to bring activities at Big Cut Mine site into compliance with SMARA. SMGB also moved to set Public Hearing date for OTC of 2/10/2011.
12/10/2010	SMGB issues OTC. OTC subsequently received by owners/operators on 12/16/2010.
1/19/2011	SMGB receives additional Interim Financial Assurance Cost Estimate in partial response to 12/10/2010 OTC. However, additional estimate is only in the amount of \$20,683.00, and only applies to areas <i>outside of</i> the previously proposed Reclamation Plan boundaries.
	Owners/operators deny SMGB staff's request for permission to inspect Big Cut Mine site to verify the validity of the Interim Financial Assurance Cost Estimate with current site conditions.
1/21/2011	SMGB and El Dorado County staff access neighboring property to the north of Big Cut Mine site, and observe active surface mining activities at the Big Cut Mine site.
1/28/2011	SMGB staff accompanies El Dorado County personnel to inspect Big Cut Mine site under civil warrant. Property owner is cited by County for violating two County ordinances (mining without a Special Use Permit and grading without a permit). Extensive illegal surface mining activities are confirmed to be occurring on site, with an additional 11 acres estimated disturbed since the inspection on 4/1/2010.
2/10/2011	SMGB upholds its 12/10/2010, OTC.
3/10/2011	SMGB issues Order Imposing Administrative Penalty in the amount of \$100,000.00 to Big Cut Mine owners/operators for failure to comply with 9/3/2010 NOV and 12/10/2010 OTC, e.g. failure to obtain required permits, failure to provide a remediation plan to correct effects of illegal mining and for failure to provide an adequate financial assurance cost estimate. Owner/operator (Hardesty) receives the order on 3/16/2011.
4/11/2011	SMGB receives "Petition/Notice of Defense" from counsel for the owners/operators requesting review of SMGB's 3/10/2011 Order Imposing Administrative Penalty.
4/27/2011	SMGB staff informed by California Department of Fish and Wildlife (CDFW) staff that surface mining operations at the Big Cut Mine site had resulted in off-site discharge of sediment to local watercourses.
4/28/2011	SMGB notifies counsel for the owners/operators that the 3/10/2011 Order Imposing Administrative Penalty cannot be petitioned to the SMGB, and that the owners/operators' recourse, in lieu of paying the accrued penalties and reclaiming the lands disturbed, is with the courts.
4/29/2011	Ongoing and expanded surface mining operations confirmed to be occurring at the Big Cut Mine site based on observations made by SMGB staff during a site inspection conducted with CDFW staff. SMGB staff estimates additional 2 to 5 acres are disturbed since the inspection on 1/28/2011.
5/5/2011	SMGB issues NOV to Big Cut Mine owners/operators for ongoing and expanded operation of an illegal surface mine and illegal discharges into watercourses.

Table 14 (continued)
Chronology of Pertinent Events and Actions
Big Cut Mine Illegal Mining Operation

Date	Events or Actions
6/9/2011	5/5/2011 NOV re-issued via hand delivery to Dan Tankersley, an agent/representative of the owners/operators, at SMGB regular business meeting.
9/8/2011	SMGB issues OTC to Commence Corrective Actions issued to Big Cut Mine owners/operators. OTC returned unclaimed.
12/8/2011	SMGB upholds 9/8/2011 OTC.
1/12/2012	SMGB issues Order Imposing Administrative Penalty in the amount of \$750,000.00 to Big Cut Mine owners/operators for failure to comply with the 5/5/2011 and 6/9/2011 NOV and 9/8/2011 OTC, e.g. failure to obtain required permits, failure to provide a remediation plan to correct effects of illegal mining and for failure to provide an adequate financial assurance cost estimate. Counsel for owners/operators receives order on 1/20/2012.
8/9/2012	SMGB staff sends formal request to owners/operators for permission for SMGB staff to conduct an annual compliance inspection on 8/28/2012 of the Big Cut Mine site. SMGB receives no response to this letter.
11/26/2012	SMGB counsel obtains civil warrant to inspect Big Cut Mine site from El Dorado County Superior Court.
11/28/2012	SMGB staff conducts site inspection under civil warrant and estimates and additional 33 to 36 acres are disturbed since 4/29/2011.

On April 27, 2011, SMGB staff was informed by CDFW staff that activities at the Big Cut Mine property had resulted in off-site discharge of sediment to Weber Creek. During the site inspection with CDFW staff on April 29, 2011, SMGB staff confirmed that ongoing and expanded surface mining operations were occurring, and that such activities had resulted in off-site discharge of sediment to local watercourses.

Subsequently, on May 5, 2011, the Executive Officer issued an NOV to the owners/operators of the Big Cut Mine for the violations observed during the April 29, 2011 site inspection. Because the certified mail receipts for this NOV were returned unclaimed, SMGB staff re-issued the NOV via hand delivery to Dan Tankersley, an agent of the Big Cut Mine, on June 9, 2011. The NOV directed the owners/operators to immediately cease any and all mining activities, and to provide the following items to the SMGB within 30 days of receipt of the NOV:

- A Remediation Plan to correct the effects of illegal mining activities on the Big Cut Mine site. Such plan should address all areas disturbed by illegal surface mining operations on the Big Cut Mine property during the past year, and shall include specific measures for restoring off-site watercourses impacted by recent sediment discharges.
- A Financial Assurance Cost Estimate that substantially complies with SMARA and Title 14, California Code of Regulations, Section 3804. (A copy of the SMGB's *Financial Assurance Guidelines* is available on our website to assist you in preparing the cost estimate.) Such Financial Assurance Cost

Estimate must be of a sufficient amount to cover all costs associated with reclaiming areas currently disturbed by surface mining activities at the Big Cut Mine site, and shall include costs for restoring off-site watercourses impacted by recent sediment discharges.

- Copies of all permits as deemed required by each respective jurisdiction in order to bring the Big Cut Mine site into compliance with all local, state and federal requirements. If such permits are not available within the above timeframe, then copies of permit applications or other written correspondence establishing that such permits are actively being sought may be acceptable.

The owners/operators of the Big Cut Mine have not met, or attempted to meet, any of the requirements of the May 5, 2011 and June 9, 2011 NOV. Nor have they addressed, or attempted to address, the requirements of the OTC the SMGB issued on September 8, 2011 and upheld on December 8, 2011. Finally, the SMGB has received no payment, in whole or in part, or any other indication from the owners/operators of the Big Cut Mine that they intend to comply with the March 10, 2011 and January 12, 2012 Orders imposing administrative penalties on the owners/operators.

As noted above, on November 28, 2012, SMGB staff and counsel conducted a SMARA compliance inspection at the Big Cut Mine property under civil warrant. Based on observations made at that time, SMGB staff estimated that approximately 53 total acres were disturbed by surface mining operations. This total disturbed acreage reflects an increase of approximately 49 acres since SMGB staff visited the site in April of 2010, and an increase of 33 to 36 acres since SMGB visited the site in April of 2011.

Included in the 53 acres of total disturbance observed on November 28, 2012 were approximately 2.6 acres of disturbance outside of the Big Cut Mine property. These areas of encroachment were along and across the southern and southwestern boundary line of the subject parcel on property owned by the El Dorado Irrigation District. Not included in the 53 acres of total disturbance was the area encompassed by the main site access road connecting to Big Cut Road. It is estimated that an additional 2.5 acres have been disturbed by construction of this road across property owned by the El Dorado Irrigation District.

In addition to the expanded surface area disturbance and off-site encroachment, the November 28, 2012 inspection confirmed that since April of 2011 the owners/operators of the Big Cut Mine had expanded the size of the aggregate processing plant, excavated several additional water retention ponds, imported and assembled multiple pieces of heavy mining equipment, increased the volume of stockpiled processed aggregate materials, and installed a truck scale and other mining infrastructure such as water pipelines.

At its June 13, 2013, regular business meeting, the SMGB considered and subsequently issued an administrative penalty to the Big Cut Mine (CA Mine ID #91-09-00XX), Joseph and Yvette Hardesty and Rick Churches (Operators), Joseph and Yvette Hardesty, Rick Churches, and Dan Tankersley (Agents), County of El Dorado, for failure to correct violations pursuant to SMARA. The SMGB acting as lead agency with authority provided under PRC Section 2710 et seq., rescinded the previous January 12, 2012 Order and imposed an administrative penalty in the amount of \$11,025,000.00 to Joseph and Yvette Hardesty, Rick Churches, and Dan Tankersley, the owners/operators of the Big Cut Mine, located in the County of El Dorado, for failure to obtain a permit to mine and to correct ongoing violations pursuant to the Surface Mining and Reclamation Act of 1975. Effective date of the Order was June 13, 2013.



Figure 10. Big Cut Mine located in El Dorado County as of January 27, 2012.

ROLES OF THE OFFICE OF MINE RECLAMATION (OMR)

In 1991, the Department of Conservation (Department) created the Office of Mine Reclamation (OMR) to administer the provisions of SMARA for the Department. OMR is divided into four units: the Reclamation Unit, the Reporting and Review Unit, the Compliance Unit which includes the Lead Agency Review Team (LART), and the Abandoned Mine Lands Unit (AMLU). The core operations of OMR are to:

- Provide expert technical review and comment on reclamation plans and plan amendments submitted by a lead agency prior to the lead agency's approval of the plan;
- Review and comment on financial assurance estimates for reclamation plans and plan amendments;
- Assist and advise surface mine operators regarding SMARA compliance issues;
- Assist lead agencies by providing training and advice on administering and enforcing SMARA;
- Review and process annual reports and fees supporting the SMARA program; and
- Recommend to the Director, enforcement actions against surface mine operators who do not comply with SMARA.

OMR's Reclamation Unit reviews reclamation plans and plan amendments submitted by lead agencies. This unit also assists individual mine operators and lead agencies with reclamation questions, and conducts on-site inspections of new surface mine sites and of existing sites when reclamation plan amendments are proposed. OMR conducts training workshops throughout the State for lead agency personnel and industry regarding the content of SMARA and the SMGB's reclamation regulations. Each year, OMR conducts several of these workshops.

The Reclamation Unit is responsible for the review, processing and analysis of annual mine operation report data from mining operators, and collection of mining fees. The Unit also audits lead agencies for performance of their individual SMARA programs.

OMR's Compliance Unit is responsible for the enforcement of SMARA statutes and regulations for both lead agencies and mine operations, and completes mine inspections for the Lead Agency Review audits.

Annual Mine Reporting

PRC Section 2207 [AB 3551 (Sher, Chapter 1097, Statutes of 1990), AB 3903 (Sher, Chapter 1101, Statutes of 1990); AB 1506 (Sher, Chapter 845, Statutes of 1991); SB 649 (Kuehl, Chapter 794, Statutes of 2003); SB 1110 (Kuehl, Chapter 383, Statutes of 2005)] provides requirements for filing annual reports and reporting fees by each mine. These annual reports are filed on forms approved by the SMGB, and furnished as a courtesy by OMR. Annual reporting fees and a method for collecting those annual fees from each active surface mining operation are also imposed by the SMGB. By July 1, 1991, surface mine operators were

required to file an annual report and pay reporting fees to the Department for operations conducted during calendar year 1990.

Annual mining operation reports are required from all mines subject to SMARA from the time they are permitted until they are certified reclaimed, even if they have not begun operation or have ceased operation with no intent to resume and performing reclamation activities. As a courtesy, OMR mails annual report notices and/or forms to each reporting mining operation during May of each year. Reports must be postmarked on or before July 1 of that year. Annual reporting forms were last revised and implemented by the SMGB in 2012.

When surface mine operators do not provide reports and fees, as required by SMARA and PRC Section 2207, the Reporting and Reclamation Unit notifies the operator and the responsible lead agency of the operator's lack of compliance. A request is made of the local jurisdiction to take corrective action. If the operator fails to comply, and the lead agency takes no further action, the Reporting and Review Unit recommends enforcement action to the Director.

The number of mines reporting per year since 1990 is shown in Table 15. Because annual reports are filed with OMR by July 1 for the previous calendar year, the total number of reporting mines is not available for calendar year 2012 at the time this report was prepared. The figures reported below for the 2011 reports are as of the date of publication, and do not reflect all mines that will eventually report and pay fees for the year. Also, note that the numbers of mines reporting each year has changed from previous reports to reflect final tallies; previous reports reflected preliminary tallies. The general trend in mines reporting is consistent with earlier reports.

OMR's Reporting Section of the Reporting and Review Unit is responsible for the review and processing of annual reports and mining fees. In 2012, this unit processed 1,132 annual reports filed for calendar year 2011. Mine reporting fees of \$3,138,033.28 have been collected to date for the 2012-13 fiscal year. The Governor's Budget authorizes mine fees in the amount of \$4,284,416 for collection to run the Department and SMGB's SMARA programs.

SMARA Compliance Actions Fiscal Year 2011-12

During fiscal year 2011-12, administrative actions taken by Compliance Unit including issuance of 15-day Notices to SMARA lead agencies, and Notices of Violation (NOVs), Orders to Comply (OTCs) and/or Administrative Penalties to specific operators pursuant to PRC 2774.1, are summarized in Table 16.

Table 15 Summary of Number of Reporting Mines from 1990 through 2012	
Reporting Year	Number of Mines
1990	1,255
1991	1,367
1992	1,477
1993	1,467
1994	1,473
1995	1,474
1996	1,483
1997	1,499
1998	1,501
1999	1,485
2000	1,447
2001	1,427
2002	1,416
2003	1,390
2004	1,369
2005	1,375
2006	1,359
2007	1,362
2008	1,327
2009	1,291
2010	1,267
2011	1,132

CALIFORNIA ABANDONED MINE LANDS PROGRAM

Commencing in fiscal year 1997-1998, the Abandoned Mine Lands Unit (AMLU) was created within the DOC's Office of Mine Reclamation. This unit implements a field program to locate and inventory California's pre-SMARA (i.e., before January 1, 1976 when SMARA became effective) historic abandoned mines, provide a preliminary assessment of any hazards observed, and remediate/close physical hazards on publicly owned or managed abandoned mine lands unit (AMLU) to protect human life and safety and any associated wildlife and cultural values. It is estimated that there are approximately 47,000 abandoned mines located on public and private lands throughout California (Figure 11). Many of these old mine workings present dangerous physical risks and hazards to the public, as well as potential financial liability to public land management agencies. In 2000, the AMLU published *California's Abandoned Mines: A Report on the Magnitude and Scope of the Issue in the State*. The AMLU also maintains the State's abandoned mine inventory database and convenes the AML Forum, a quarterly venue for the public and agencies to discuss abandoned mine issues. (For more information, see the AMLU website at www.consrv.ca.gov/OMR/abandoned_mine_land.)

Table 16
Summary of Compliance Actions Initiated by OMR since 2010

Mine Name	Type of Violations	Date 15-Day Notice Issued	Date NOV Issued	Date OTC Issued	Hearing Date/ Outcome	Date Admin Penalties Letter Sent
Goose Club Farms	Illegal mine.	12/20/2010	6/6/2011	8/19/2011	10/13/2011 (one-time exemption)	
Kaiser Eagle Mtn.	Abandoned mine.	5/26/2011	6/11/2011 (draft)			
McLaughlin	Incomplete reclamation.	6/15/2011	8/5/2011	9/9/2011	10/13/2011 (postponed)	
Red Ink Maid	Incomplete reclamation, off-site sedimentation, unsecured adits, and no financial assurance.	6/27/2011	8/11/2011	1/9/2012	3/8/2012 SMGB upholds OTC, adding 45 days to Schedule of Compliance timeline	
Schneider Historic Mine	Substandard reclamation plan approved by county without seeking OMR review. Large pit adjacent to Cosumnes River exceeds reclamation plan limits, with stability and pit capture issues.	7/21/2011	1/24/2011 (by lead agency)	6/10/2011	12/12/2011 lead agency upholds OTC	12/23/2011 (by lead agency)
Syndex Ready Mix	No financial assurance.	1/12/2012	Action deferred pending outcome of BOS hearing	Not initiated ^(a)	Not initiated	Not initiated
Standard Gypsum Mine	Inadequate financial assurance mechanism.	1/18/2012	Not initiated	Not initiated	Not initiated	Not initiated
P.T.L. Transportation D G mine	Expired financial assurance mechanism and unpaid fees.	1/20/2012	New FACE and FAM submitted by operator	Not initiated	Not initiated	Not initiated
Standard Gypsum Mine (CA Mine ID #91-33-0076)	Financial assurance mechanism	2/16/2012	Not initiated	Not initiated	Not initiated	Not initiated

Table 16 (continued) Summary of Compliance Actions Initiated by OMR since 2010						
Mine Name	Type of Violations	Date 15-Day Notice Issued	Date NOV Issued	Date OTC Issued	Hearing Date/ Outcome	Date Admin Penalties Letter Sent
Best Rock at Grimes Canyon (CA Mine ID #91-56-0010)	Mining outside reclamation plan footprint, mining 100 feet below maximum depth of excavation, over-steepened slopes, and inadequate financial assurance.	2/22/2012	Not initiated	Not initiated	Not initiated	Not initiated

Many of the pre-SMARA mines that ceased operations before site reclamation was a State requirement and before various environmental regulations were enacted have been found to be hazardous to people and animals and a threat to the natural environment. In rapidly urbanizing regions of the State as well as in heavily used recreational areas, these old mines may pose a very significant threat to the health and safety of the human population. The low level of knowledge about the location and effects of abandoned mines on the well-being of local communities is becoming more evident in the face of new disclosure requirements for land-use planning and development.

For years, both local jurisdictions and state agencies have had permitting or regulatory authority over abandoned mines if those mines adversely affect water quality (Regional Water Quality Control Board) or if they contained hazardous wastes that could escape into the surrounding environment (Department of Toxic Substances Control). As a non-regulatory State entity that doesn't own or manage lands, the AMLU has taken a lead role in coordinating information regarding the character and type of abandoned mines in California, providing funding, staff, and/or technical expertise to inventory and remediate/close unsafe AML features, and recently taking the lead among many State landowning agencies to prioritize and coordinate abandoned mine remediation efforts on State-owned lands.

The AMLU is also assisting federal land management agencies to inventory and close AML sites on their lands. In the spring of 2010, \$2.083 million in federal ARRA (Stimulus Act) funding was obtained from the National Park Service to inventory all 5,307 AML sites located in California's 13 national parks by September 20, 2013. In addition, \$1.516 million in ARRA (Stimulus Act) funding was obtained from the U.S. Bureau of Land Management to remediate approximately 350 AML features on lands in the California Desert District (Barstow, El Centro, Ridgecrest, Palm Springs Field Offices) and the Mother Lode Field Office area, by September 30, 2014.

The AMLU estimates that the 47,000 abandoned mine sites in the State shown on Figure 11 contain an estimated 165,000 individual mine features. A feature is a single human-made object or disturbance associated with mining, such as a shaft or adit (vertical or horizontal opening), tailings, machinery and facilities. A mine can be comprised of one or more features. Of these 47,000 abandoned mines, about 67 percent are located on federal land (primarily on Bureau of Land Management, National Park Service, and U.S. Forest Service property), 31 percent are on private lands, and about two percent are on State or local lands. The AMLU estimates that

about 62,000 of the State's AML features include hazardous openings that could present a threat to human life.

In order to address this enormous task in a logical fashion, the AMLU works with other federal and state agencies and local organizations to compile and consolidate knowledge about abandoned mine sites. Where there is little information, the AMLU employs a watershed approach that begins in the areas with the highest potential threat to public health and safety, and to the environment. The AMLU uses a combination of sophisticated survey technologies (geographical information systems, global positioning systems, etc.), literature research, and field work. The Department's California Geological Survey Library provides a wealth of historical information. Local knowledge is also a valuable resource for historic abandoned mine information. AMLU offers a toll-free telephone number (1-877-OLD-MINE) for Californians to easily contribute to the inventory.

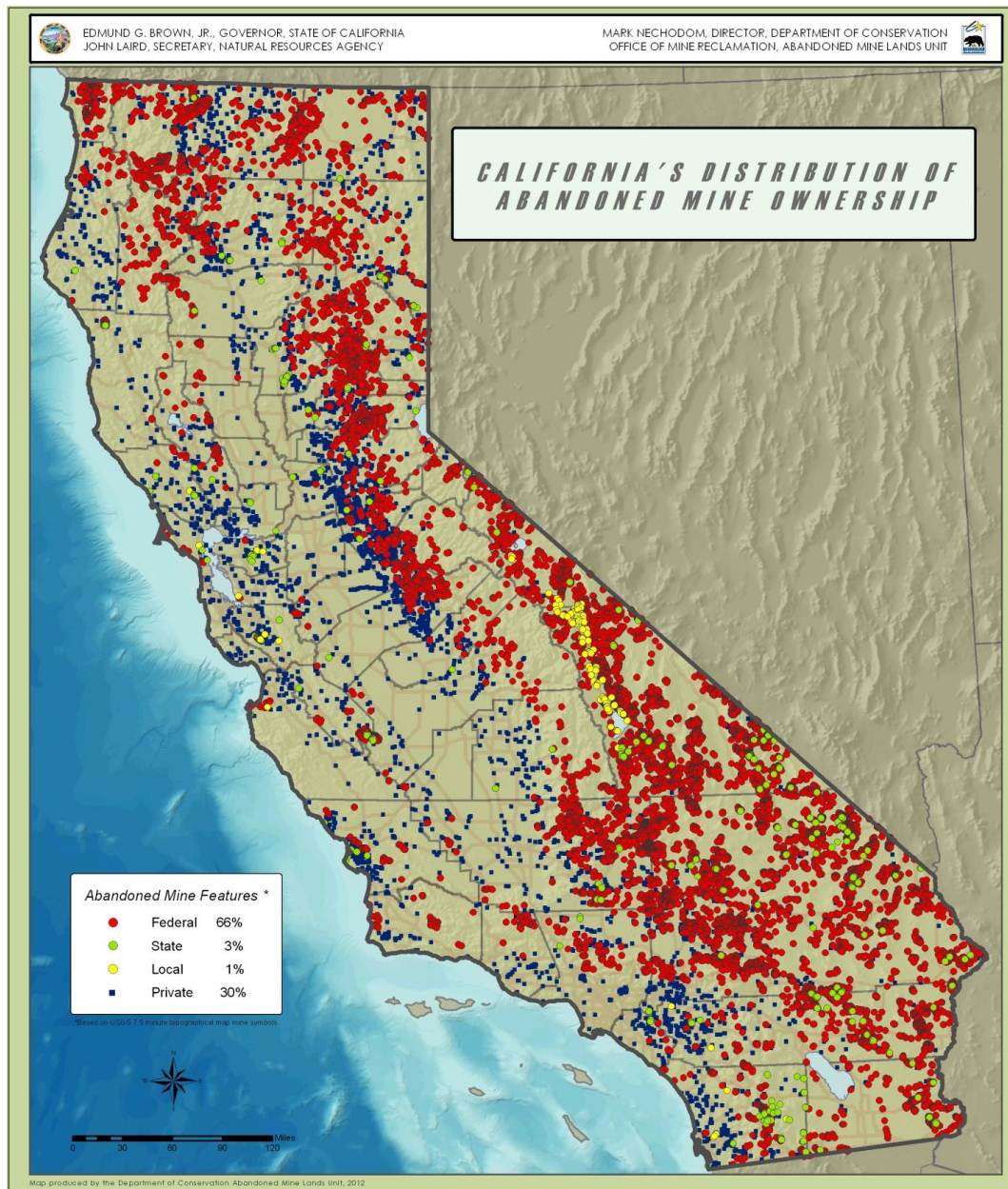


Figure 11. Location of abandoned mine features in California.

The AMLU began closing and remediating physical hazards associated with abandoned mines in 2001 when it helped close a hazardous abandoned mine shaft as a public safety demonstration project. In 2002, the AMLU began funding abandoned mine remediation projects in addition to its inventory work. Since 2006, the AMLU's primary funding sources to remediate physical hazards at abandoned mines come from federal funding and a statutorily authorized fee collected on gold and silver mined in California (\$5 per ounce for gold and \$0.10 per ounce for silver (Kuehl, Chapter 794, Statutes of 2003); PRC Section 2207(d)(4)(B)). Techniques that the AMLU has used to remediate hundreds of hazardous abandoned mine openings and associated debris include: wire fencing; backfills; polyurethane foam (PUF) closures; bat-compatible gates, cupolas, and culvert gates; fitting with concrete plugs and steel caps; and, demolition and/or removal of unstable structures and trash. All work is conducted in accordance with California Environmental Quality (CEQA) or National Environmental Policy Acts (NEPA).

The AMLU has also successfully used media events to promote its remediation activities and its "Stay Out - Stay Alive!" message, which is part of a national public awareness campaign to warn children and adults about the dangers of exploring and playing near abandoned mines. In July 2008, AMLU staff organized a PUF closure of an abandoned mine shaft in the Auburn State Recreation Area that was filmed for an episode of Discovery Channel's "Dirty Jobs" shown in January 2009. The AMLU has coordinated several other media events featuring the closure of abandoned mine shafts and adits in California that reached a broad audience of television news viewers and newspaper readers.

The AMLU also assisted Placer County in the closure of an unnamed abandoned mine near Folsom, east of Sacramento (Figures 12 thru 17). The mine had gone unseen below Auburn-Folsom Road for many years, but in 2010 it was exposed by a road-widening project that lowered the roadbed. The resulting horizontal mine opening in the road-cut was immediately adjacent to a busy road, and a simple backfill with soil had proven inadequate. In August 2011, AMLU staff installed a PUF plug inside the opening, and a Placer County road crew (already on-site working on the road-widening project) poured a concrete cap on top. Soil was tamped into the wet concrete to disguise the closure and complete the project. This project was given news by the local media, including three television news channels.



Figure 12. One of three GeoCorps staff recently on contract with the AMLU, conducting a legacy mine site inventory high above The Racetrack in Death Valley National Park. 2012.



Figure 13. AMLU staff inventorying legacy mine shafts in designated wilderness, north side of Confidence Wash, Death Valley NP. 2012.



Figure 14. AMLU staff inventorying a headframe with ore bin and intact sheave wheel at the legacy Saratoga mine site in southern Death Valley. 2012.



Figure 15. Double culvert gates installed by USFS at “Tunnel Vision” tunnel in the El Dorado National Forest, using matching funding from AMLU. 2012.



Figure 16. USFS closure of Boulder Creek shaft in Cleveland National Forest using PUF (polyurethane foam) and matching funding from AMLU. 2012.



Figure 17. Signage warning of abandoned mine dangers at Foundation adit in San Bernardino National Forest, installed by USFS with matching funding from AMLU. 2012.

As California's representative to the National Association of Abandoned Mine Land Programs (NAAML), the AMLU co-hosted with the State of Nevada the 2011 NAAML Annual Conference (the first hardrock, non-coal States to serve as host) providing further opportunities to highlight California's AML issues and successes and raise awareness of AML hazards.

In summary, through December 31, 2011, the AMLU collected inventory data on 3,459 abandoned mine sites and 40,300 features. Through the end of fiscal year 2010-11, the AMLU in partnership with more than two dozen local, State and federal partners, also helped to close and/or remediate more than 1,164 hazardous abandoned mine features. The AMLU provided \$1.2 million to its landowning agency partners who contributed approximately \$3.5 million to close and/or remediate physical hazards on their lands.

OTHER SMGB CONSIDERATIONS AND ACTIONS

On occasion, the SMGB requests from staff comprehensive or focused analysis on topics of interest to the SMGB, prior to considering policy decisions and the need for regulations or legislative action. These reports commonly take the form of an Information Report. These reports do not set forth policy, but rather present information that the SMGB reviews in considering in considering policy. A summary of such reports is presented in Table 17.

Table 17 Summary of Published Information Reports			
Information Report No.	Description	Date	Authors
SMGB IR 2007-01	Report on SMARA Lead Agency Performance Regarding Mine Reclamation	6/2007	Stephen M. Testa and David J. Beeby
SMGB IR 2007-02	Report on Backfilling of Open-Pit Metallic Mines in California	1/2007	Stephen M. Testa and James S. Pompy
SMGB IR 2007-03	A Review of the State's Mineral Resources Management Program and its Components – Status and Effectiveness of Review Efforts	11/2007	Stephen M. Testa and David J. Beeby
SMGB IR 2007-04	A Comparison of Regulatory Surface Mining Programs in the Western United States	9/2007	David J. Beeby
SMGB IR 2007-05	A Report on the Mineral Land Classification and Designation Program under the California Surface Mining and Reclamation Act of 1975	7/2008	Stephen M. Testa and David J. Beeby
SMGB IR 2009-06	A Survey of Lead Agencies Affected by the Alquist-Priolo Earthquake Fault Zoning Act	6/2009	Stephen M. Testa, William Bryant and Jerry Treiman
SMGB IR 2010-07	A Review of Issues Pertaining to Idle Mines under the Surface Mining and Reclamation Act of 1975	1/2011	Stephen M. Testa
SMGB IR 2012-08	Report on Survey of Lead Agencies Affected by the Surface Mining and Reclamation Act	3/2012	Stephen M. Testa
SMGB IR 2012-09	A Survey of California Surface Mining Operations: Satisfaction with Annual Mining Operation Reporting Fees	6/2012	Stephen M. Testa
SMGB IR 2013-10	Roles of the Engineering Geologist under the Surface Mining and Reclamation Act (SMARA)	6/2013	Will J. Arcand and Stephen M. Testa

One Information Report was published during this reporting period. Information Report 2012-10 titled “*Roles of the Engineering Geologist under the Surface Mining and Reclamation Act (SMARA)*”. Certain sections of SMARA address annual mine inspections, evaluations of geological and/or engineering conditions, and preparation of financial assurance cost estimates specifically mention licensed geologists or professional engineers; however, SMARA contains no explicit requirements for the services of certified engineering geologists. California has elevated its scrutiny of preparation, review and execution of individual surface mining and reclamation plans and financial assurances, and has increased SMARA lead agency performance reviews. Increased state and local government attention has heightened awareness regarding situations where engineering geologists play key roles. Engineering geologists are favorably qualified to serve both mining operators and SMARA lead agencies. Operators developing projects may reduce financial liability by retaining engineering geologists during early planning to evaluate sites for potential adverse geological conditions, and to propose feasible mitigations per SMARA's requirements. Often operators postpone involvement of engineering geologists until after regulators review proposed activities and subsequently require submittal of supporting documentation—resulting in delays and potential enforcement actions. Qualified engineering geologists can also serve as valuable reviewers for SMARA lead agencies, providing recurring oversight of key program requirements, which if omitted, may trigger State review of lead agency performance. Furthermore, engineering geologists are particularly useful in conducting required annual mine inspections, as violations commonly surface due to inadequate slope design and construction. Although engineering geologists are not specifically designated to conduct activities under SMARA, current standards of practice dictate that certified engineering geologists, or similarly qualified geo-professionals, should be involved in certain surface mining and reclamation tasks.

OBSERVATIONS AND RECOMMENDATIONS

The following observations and recommendations are offered. A comment on their respective financial funding status is also provided.

ALQUIST-PRIOLO EARTHQUAKE FAULT ZONING ACT

This Act became effective on March 7, 1973. Since that time it has been amended 11 times by the Legislature. The SMGB finds that implementing the requirements of this Act continues to protect the health and safety of the public from losses that would be incurred by the construction of structures for human habitation across the surface traces of known active faults. A technical Advisory Committee was established to address certain aspects of the Act. Its work has essentially been completed and a report is in preparation.

There is no statutory funding source to support this Act. The SMGB recommends that a steady funding source be developed to support this Act.

SEISMIC HAZARDS MAPPING ACT

This Act became effective on April 1, 1991. The SMGB finds that the implementation of this Act enhances public health and safety and serves to protect the public from losses incurred by the effects of strong ground shaking, liquefaction or other ground failure, landslides, and other seismic hazards caused by earthquakes.

Funding mechanisms for this program remain inadequate to fulfill the intent of the Legislature. The SMGB recommends that an adequate funding source be specified to support this program.

SURFACE MINING AND RECLAMATION ACT

The Surface Mining and Reclamation Act (SMARA) has been amended 29 times since its enactment in 1975. The statute is unique in two respects:

- (1) Mining is regulated locally by cities and counties which are referred to as lead agencies, and
- (2) A process is provided for the conservation of mineral resources.

SMARA has evolved over time and numerous amendments to improve its effectiveness have been enacted. Based on observations of the current statewide implementation of this law, it is apparent that the opportunity for further improvement remains. The SMGB has found that the overall SMARA program can be streamlined while meeting the intent of the law. Current duplicative efforts by the State and local lead agencies can be minimized or eliminated, and various unintended and adverse consequences of the current statutory and regulatory language can be alleviated.

The SMGB has continued its comprehensive review of SMARA and its effectiveness, and offers the following recommendations for improvement.

Calculation of Annual Mine Fees: The SMGB is currently considering the overall equity of the current reporting fee schedule. PRC Section 2207(d) states the annual fee imposed shall not be less than \$100 or more than \$4,000 for each surface mining operation. Statute also requires that these amounts be adjusted annually for cost of living, as measured by the California

Consumer Price Index. PRC Section 2207(d)(3) states that the total revenue generated by the reporting fees may not exceed, and may be less than, the amount of three million five hundred thousand dollars (\$3,500,000), as adjusted for the cost of living. Changing the basis on which Annual Mine Fees are calculated would require a regulatory change. In considering a change to the SMGB's regulations, raising the single surface mining operation cap, without changing the way or basis in which the fees are calculated, has been considered. Although some short time relief could be gained, over time this approach simply delays the time when fees again become inequitable. Increasing the cap for total revenues generated, which requires a legislative change, also has merit in addition to changing the entire premise on how annual fees are calculated.

The SMGB recommends that Legislative language be considered that increases the total revenues generated by the annual mine fees, which in turn would allow the SMGB to revise how fees are calculated, which would result in equitable fees for small, medium and large surface mining operations.

SMARA Lead Agency Determination of Reclamation Plan Adequacy: Under SMARA, PRC Section 2774(c) requires that a lead agency submit to the Director of the Department of Conservation (DOC) for use in reviewing the reclamation plan or plan amendments 1) information from any related document prepared, adopted, or certified pursuant to Division 13 (commencing with Section 21000), and any other pertinent information, and 2) a certification that the reclamation plan is in compliance with the applicable requirements of Article 1 of the SMGB's regulations, commencing with California Code of Regulations (CCR) Section 3500. Specifically, the issue is that staff of the local agency cannot make a conclusionary determination that a reclamation plan is complete and in compliance with SMARA. Only the decision-makers can make such a conclusionary determination.

The SMGB recommends that Legislative language be considered that interpret this requirement to mean that the Planning Director of an agency makes a preliminary determination subject to later consideration by the decision-makers in a public hearing. This issue is deemed non-controversial.

Mineral Resource Management Policies: Under current SMARA statutes, a city or county, upon receipt of a mineral land Classification report prepared by the State Geologist or mineral land designation report prepared by the SMGB, must prepare Mineral Resource Management Policies (MRMP) and incorporate them into its General Plan. The MRMP must be submitted to the SMGB for review and comment prior to adoption by the city or county [ref. PRC Section 2762].

Although the SMGB has developed regulations describing the content and requirements of the MRMP in accordance with a statutory mandate, the SMGB has no authority to enforce inclusion of the Act's requirements into the MRMP adopted by a city or county. Cities and counties are not required to accept and incorporate the SMGB's review comments. Therefore, a MRMP may be locally adopted that does not meet the Act's minimum requirements.

The SMGB recommends that prior to a city's or county's adopted MRMP becoming effective, it must be certified by the SMGB as being in accordance with the Act and the SMGB's regulations. This is similar to the current requirement that the lead agency's SMARA (mining) ordinance must be certified by the SMGB as being in accordance with SMARA prior to the ordinance taking effect.

Role of SMGB in Local Land Use Decisions on Mineral Lands Designated by the SMGB:

Under current SMARA statutes, it is required that, prior to permitting a use that would threaten the potential to extract minerals in an area designated by the SMGB as having mineral resources of regional or statewide significance, the city or county shall prepare a statement specifying its reasons for permitting the proposed use. The city or county must consider its MRMP, must balance the designated mineral values against alternative land uses, and consider the importance of these minerals to their market region as a whole and not just their importance to the city's or county's area of jurisdiction (PRC Section 2763).

The adoption of a "statement of reasons" requires that local land use agencies consider the mineral resource consequences of a land use decision but it does nothing to prevent or discourage the permitting of land uses that extinguish access to designated important mineral resources. This process, in fact, puts a city or county in the position of choosing whether to make a decision in its own interest or in the interest of other surrounding jurisdictions in the region. The elected officials who prepare the statement of reasons and who make the land use decision owe no allegiance to other jurisdictions. Thus, there is no effective mechanism in SMARA to encourage or facilitate the local permitting of mining facilities on State-designated mineral lands. This is one of the reasons why the supply of permitted mineral reserves (such as aggregate) is in critical short supply in California.

Designation by the SMGB of a mineral resource as having regional or statewide significance is based on extensive geological analysis and demand evaluations by the CGS and the SMGB. SMARA statutes should be amended to facilitate the permitting of mining facilities on designated lands. This could be accomplished, for example, through the adoption of State-mandated uniform "findings of approval" for a local agency to use when considering a requested use permit application for a mining facility on State-designated lands. These findings could be designed specifically for the issues associated with mining facilities and avoid "neighborhood compatibility" requirements that fuel litigation. As the State has done for affordable housing (GC 65589.5), the discretion of local agencies to deny a mining project on designated lands could be limited to instances where a direct impact on public health and safety is identified.

Along with changes in statute to facilitate the permitting of mining facilities on designated lands, the criteria for designation must be updated. Currently, a site can be designated if only \$17,000,000 worth of mineral reserves are present. This figure is far too low to represent a "significant" regional resource. The threshold of significance should be raised to an economically viable level such as \$200 million of reserves over a minimum of 100 acres.

Preclude Lead Agencies from Limiting Mine-Related Transport on a State Highway:

An environmental impact associated with proposed mining facilities is the truck traffic required to transport the mined material to its market. Limitations on truck traffic (e.g. average daily or peak hour trips) are commonly imposed as a CEQA mitigation measure or as a condition of approval necessary to make use permit findings. Such a limitation can be the result of local citizen opposition and not related to any public health or safety concern. Local agencies imposing limitations on the use of State highways is particularly problematic for mining facilities. As the State highway system is intended to facilitate the transport of goods as part of the State economy, conditions of a local permit that limit the use of a State highway for an otherwise lawful commercial purpose appears inappropriate. SMARA statutes could be amended to preclude a local agency from limiting mine-related transport truck traffic on a State Highway unless a specific public health and safety hazard is identified by the California Highway Patrol.

Aggregate Availability and Sustainability Mapping Program: In California, land-use planners and decision makers are faced with balancing a wide variety of needs. Increasingly, as existing permitted aggregate supplies are depleted, local land-use

decisions regarding aggregate resources can have regional impacts that go beyond local jurisdictional boundaries. Primary factors include universal need, increasing demand, the economic and environmental costs of transportation, and multiple land-use pressures. These factors make information about the availability and demand for aggregate, valuable to land-use planners and decision makers charged with planning for a sustainable future for California's citizens.

The resultant conceptual Aggregate Transport and Sustainability Maps being developed by CGS and the SMGB aim to address these factors and needs. These conceptual maps will illustrate some of possible types of information and graphical presentation that might be used in a series (7-10) of regional aggregate resource sustainability maps covering the state. Each such map would incorporate multiple smaller Production-Consumption (P-C) Regions based on previous mineral land classification studies.

Combining multiple P-C Regions into "Super Regions" should allow better estimates of future regional aggregate demand and a better analysis of production and consumption patterns within the "Super Region". The maps show, in a simplified manor, the distance from current aggregate sources (or potential source areas) to points of consumption and can be used to illustrate the relationship between distance and aggregate costs (both economic and environmental). In addition to the added dollar cost of aggregate to the consumer, transportation of aggregate over longer distances results in increased fuel consumption, air pollution, greenhouse gas emissions, traffic congestion, and road maintenance. Also shown will be the relationship between the projected 50-year aggregate demand, reserves (permitted resources), and resources for each P-C Region (within the larger super region) to emphasize the region's future aggregate needs, current supplies, and potential future sources; and the estimated annual CO₂ emissions from aggregate transport in each P-C Region related to haul distance. Presenting relevant information on an appropriate regional basis will highlight the potential impacts (economic, environmental, and societal) that land use decisions related to aggregate mining in one jurisdiction may have on neighboring jurisdictions and the larger region, and provide a tool to allow local jurisdictions to understand the regional and statewide nature of aggregate supply.

The SMGB recommends that a funding source be developed to assure this statewide mapping program be further developed and subsequently completed.

California Mineral Resources Plan: In 2006, CGS updated Map Sheet 52, and its accompanying report providing general information about the current availability of California's permitted aggregate resources. Although the statewide and regional information on the map and in this report may be useful to local decision-makers, more detailed information contained in each of the aggregate studies employed in the compilation of Map Sheet 52 was aimed to be used for land-use and decision making purposes. For the 31 aggregate study areas throughout the State, these study areas cover about 25 percent of the State and provide aggregate for about 90 percent of California's population.

It was concluded that in a five-year period (2001-2005), permitted aggregate resources have decreased by about 2.5 billion tons. Also, during this same period, more aggregate study areas had decreases in permitted aggregate resources than increases. Decreases were caused by changes in permitted resource calculations, aggregate consumption, and social and economic conditions leading to mine closures. Furthermore, aggregate price at the plant site and transportation costs have increased significantly in the past five years. Areas throughout the State are experiencing shortages in local permitted aggregate resources and are being forced to transport aggregate longer distances, significantly increasing the FOB cost by the time it reaches its final destination. Areas in very short supply of permitted aggregate resources

include Fresno, North San Francisco Bay, Southern Tulare County, and Sacramento County. The shortage of PCC-grade sand in the San Diego and the San Francisco Bay areas has driven up the price in both areas, making importation of sand from Canada and Mexico into these regions competitive.

OTHER CGS PROGRAMS

The SMGB represents the State's interest in the development of geological information necessary to the understanding and utilization of the State's terrain, and seismological and geological information pertaining to earthquake and other geological hazards (PRC Section 672). The CGS conducts the scientific investigations of mineral resources, seismology, and geologic hazards. As part of this work, CGS reviews the geological aspects of Timber Harvest Plans for the Department of Forestry and Fire Protection under the Forest and Watershed Geology Program, operates the largest strong motion earthquake monitoring program network in the United States under the Earthquake Engineering Program, and performs school site and hospital site geological hazard reviews for the Division of the State Architect and the Office of Statewide Health Planning and Development, respectively, under the Seismic Hazards Assessment Program.

Forest and Watershed Geology Program: CGS's Forest and Watershed Geology Program provides expertise in geologic-related watershed processes with a focus on landslides and erosion. The majority of this work is conducted for other state departments and local agencies where CGS serves as a geologic resource. Staff review Timber Harvest Plans throughout the State and provide input to the lead agency, Department of Forestry and Fire Protection, regarding potential for slope instability and soil erosion as a result of proposed timber management operations. The review of Timber Harvest Plans is partially funded through an interagency agreement with the Department of Forestry.

CGS staff also provides geologic products and services to a number of State departments and local agencies. The CGS effort is funded by these agencies through interagency agreements. Some of the projects that staff is currently working on include:

- Assessment of geologic hazards on alluvial fans and input to a planning manual as part of the Department of Water Resources' initiative to reduce hazards from flooding on alluvial fans in southern California;
- Developing statewide standards and best practices to reduce potential soil erosion as a result of Off Highway Vehicle use for the Off Highway Motor Vehicle Division of the Department of Parks and Recreation; and
- Conducting pilot studies and developing statewide standards for reducing road and trail erosion on State park land for California State Parks.

The SMGB recommends that a steady funding source be devised to assure the continuation of the multiple projects under the Forest and Watershed Program.

Earthquake Engineering Program: The projects that are funded under the Strong Motion Instrumentation Program (SMIP) from building permit fees are significantly impacted by the reductions in permits issued for new construction throughout the State. This adversely impacts the baseline activities of the program, including the reduction in instrumentation of buildings and ground sites. Other projects in the Earthquake Engineering program are moving forward. The maintenance and data recovery from previously installed ground stations continues. Work

supported by Caltrans continues, and the instrumentation of several structures is being completed or is underway, such as the Bay Bridge and Devils Slide tunnel. Additionally, the BART tube under San Francisco Bay is receiving instrumentation. Instrumentation work focused on hospitals continues with the support of Office of Statewide Health Planning and Development (OSHPD), and two hospitals have been instrumented in the last year.

The SMGB recommends that an increase in the new construction permit fees be enacted so as to provide adequate funding to meet the Legislature's intent. The Current fee structure was enacted 19 years ago, and no longer is adequate to maintain the instrumentation program at the levels of activity proposed by the Legislature.

Post-Fire Emergency Geologic Evaluation Services: CGS provides post-fire emergency geologic mapping services in wild-land burned areas to assist in mitigation planning, and in the assessment of areas prone to hazardous debris flows and landslides. Budget cuts to CGS have caused this service to be terminated.

The SMGB recommends that a steady funding source be developed to assure the continuance of this vital service.

APPENDIX A

Public Resources Code Sections 660-678

**PUBLIC RESOURCES CODE
SECTIONS 660-678**

660. There is in the department a State Mining and Geology Board consisting of nine members appointed by the Governor, subject to confirmation by the Senate.

661. As used in this article, "board" means the State Mining and Geology Board and "division" means the California Geological Survey of the department.

662. (a) One member of the board shall be a professional geologist with background and experience in mining geology; one member shall be a mining engineer with background and experience in mining minerals in California; one member shall have background and experience in groundwater hydrology, water quality, and rock chemistry; one member shall be a representative of local government with background and experience in urban planning; one member shall have background and experience in the field of environmental protection or the study of ecosystems; one member shall be a professional geologist, registered geophysicist, registered civil engineer, or registered structural engineer with background and experience in seismology; one member shall be a landscape architect with background and experience in soil conservation or revegetation of disturbed soils; one member shall have background and experience in mineral resource conservation, development, and utilization; and one member shall not be required to have specialized experience.

(b) All members of the board shall represent the general public interest, but not more than one-third of the members at any one time may be currently employed by, or receive more than 25 percent of their annual income, not to exceed \$25,000 a year per member, from an entity that owns or operates a mine in California. The representative of local government shall not be considered an employee of an entity that owns or operates a mine if the lead agency employing the representative owns or operates a mine. For purposes of this section, retirement or other benefits paid by a mining entity to an individual who is no longer employed by that entity are not considered to be compensation, if those benefits were earned prior to the date the individual terminated his or her employment with the entity.

(c) If a member of the board determines that he or she has a conflict of interest on a particular matter before the board pursuant to subdivision (b) or Section 663, he or she shall provide the clerk of the board with a brief written explanation of the basis for the conflict of interest, which shall become a part of the public record of the board. The written explanation shall be delivered prior to the time the matter to which it pertains is voted on by the board.

This disclosure requirement is in addition to any other conflict-of-interest disclosure requirement imposed by law.

663. (a) No member of the board shall participate in any action of the board or attempt to influence any decision of the board that involves himself or herself, or any person with whom he or she is connected, as a director, officer, paid consultant, or full-time or part-time employee, or in which he or she has a financial interest within the meaning of Section 87103 of the Government Code.

(b) No board member shall participate in any proceeding before any state or local agency as a consultant or in any other capacity on behalf of any person who engages in surface mining operations.

(c) Upon request of any person, or on his or her own initiative, the Attorney General may file a complaint in the superior court for the county in which the board has its principal office alleging that a board member has knowingly violated this section, alleging the facts upon which the

allegation is based, and asking that the member be removed from office. Further proceedings shall be in accordance as nearly as practicable with rules governing civil actions. If after trial the court finds that the board member has knowingly violated this section it shall order the member removed from office.

663.1. (a) For the purposes of this section, "ex parte communication" means any oral or written communication between a member of the board and an interested person about a matter within the board's jurisdiction that does not occur in a public hearing, workshop, or other official proceeding, or on the official record of the proceeding on the matter.

(b) For purposes of this section, "a matter within the board's jurisdiction" means any action on a reclamation plan or financial assurance appealed pursuant to subdivision (e) of Section 2770, any review of an order setting administrative penalties pursuant to Section 2774.2, or any review of an appeal pursuant to Section 2775.

(c) A board member or any person, other than a staff member of the board, department, or any other state agency, who is acting in his or her official capacity and who intends to influence the decision of the board on a matter within the board's jurisdiction, shall not conduct an ex parte communication, unless the board member or the person who engages in the communication with the board member discloses that communication in one of the following ways:

(1) The board member or the person fully discloses the communication and makes public the ex parte communication by providing a full report of the communication to the executive officer or, if the communication occurs within seven days of the next board hearing, to the board on the record of the proceeding of that hearing.

(2) When two or more board members receive substantially the same written communication or receive the same oral communication from the same party on the same matter, one of the board members fully discloses the communication on behalf of the other board member or members who received the communication and requests in writing that it be placed in the board's official record of the proceeding.

(d) (1) The board shall adopt standard disclosure forms for reporting ex parte communications which shall include, but not be limited to, all of the following information:

(A) The date, time, and location of the communication.

(B) The identity of the person or persons initiating and the person or persons receiving the communication.

(C) A complete description of the content of the communication, including the complete text of any written material that was part of the communication.

(2) The executive officer shall place in the public record any report of an ex parte communication.

(e) Communications shall cease to be ex parte communications when fully disclosed and placed in the board's official record.

(f) In addition to any other applicable penalty, a board member who knowingly violates this section is subject to a civil fine, not to exceed seven thousand five hundred dollars (\$7,500). Notwithstanding any law to the contrary, the court may award attorneys' fees and costs to the prevailing party.

(g) Notwithstanding Section 11425.10 of the Government Code, the ex parte communications provisions of the Administrative Procedure Act (Article 7 (commencing with Section 11430.10) of Chapter 4.5 of Part 1 of Division 3 of Title 2 of the Government Code) do not apply to proceedings of the board under this code.

663.2. (a) No board member shall make, participate in making, or in any other way attempt to use his or her official position to influence a board decision about which the member has knowingly had an ex parte communication that has not been reported pursuant to Section

663.1.

(b) In addition to any other applicable penalty, including a civil fine imposed pursuant to subdivision (f) of Section 663.1, a board member who knowingly violates this section shall be subject to a civil fine, not to exceed seven thousand five hundred dollars (\$7,500).

Notwithstanding any law to the contrary, the court may award attorneys' fees and costs to the prevailing party.

664. Each member of the board shall hold office for four years.

Vacancies shall be immediately filled by the Governor.

667. Each member of the board shall receive one hundred dollars (\$100) for each day during which the member is engaged in the performance of official duties. The compensation of each member, except the compensation of the chairman, shall not, however, exceed in any one fiscal year the sum of four thousand dollars (\$4,000).

The chairman of the board may receive compensation of not to exceed five thousand dollars (\$5,000) in any one fiscal year for the performance of official duties. In addition to such compensation, each member shall be reimbursed for necessary traveling and other expenses incurred in the performance of official duties.

668. The board shall maintain its headquarters in Sacramento and shall hold meetings at such times and at such places as shall be determined by it. Five members of the board shall constitute a quorum for the purpose of transacting any business of the board. A majority affirmative vote of the total authorized membership of the board shall be necessary to adopt, amend, or repeal state policy for the reclamation of mined lands adopted pursuant to Article 4 (commencing with Section 2755) of Chapter 9 of Division 2. All meetings of the board shall be open to the public.

669. The Governor shall designate the chairman of the board from among the members of the board. The person designated as the chairman shall hold such office at the pleasure of the Governor. The board shall annually elect a vice chairman from among its members.

670. The board may appoint an executive officer who shall be exempt from civil service pursuant to subdivision (e) of Section 4 of Article XXIV of the California Constitution. The board may also employ such clerical assistance as may be necessary for the proper discharge of its duties. Neither the board nor its employees shall have or be given any powers in relation to the administration of the division.

671. The director shall have no power to amend or repeal any order, ruling, or directive of the board.

672. The board shall represent the state's interest in the development, utilization, and conservation of the mineral resources of the state and the reclamation of mined lands, as provided by law, and federal matters pertaining to mining, and shall determine, establish, and maintain an adequate surface mining and reclamation policy. The board shall also represent the state's interest in the development of geological information necessary to the understanding and utilization of the state's terrain, and seismological and geological information pertaining to earthquake and other geological hazards. General policies for the division shall be determined by the board.

673. The board shall also serve as a policy and appeals board for the purposes of Chapter 7.5 (commencing with Section 2621) of Division 2.

675. The board may provide for a statewide program of research regarding the technical phases of reclaiming mined lands which may be delegated to it by law and may accept funds from the United States or from any person to aid in carrying out the provisions of this section. The board may conduct such a program independently or by contract or in cooperation with any person, public or private organization, federal agency, or state agency, including any political subdivision of the state.

676. The board shall provide for a public information program on matters involving the state's terrain, mineral resources, mining, the reclamation of mined lands, and the seismological and geological aspects of earthquakes and other geological hazards.

677. The board shall nominate, and the director shall appoint, the State Geologist, who shall either be registered in compliance with the Geologist and Geophysicist Act at least one year from the date of appointment, or the Board of Geologists and Geophysicists may, upon the review of academic and professional experience, grant registration. The State Geologist shall possess general knowledge of mineral resources, structural geology, seismology, engineering geology, and related disciplines in science and engineering, and the reclamation of mined lands and waters. The State Geologist shall advise the director regarding technical, scientific, and engineering issues, including the scientific quality of the division's products and activities.

678. The director may authorize the State Geologist to exercise his power to appoint employees of the division in accordance with the State Civil Service Act. The director may authorize the State Geologist, or any employee of the division, to exercise any power granted to, or perform any duty imposed upon, the director by the State Civil Service Act.